

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

**THE SUPERINTENDENT OF FINANCIAL SERVICES**

Applicant

- and -

**TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION, TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION, TEXTBOOK STUDENT SUITES (ROSS PARK) TRUSTEE CORPORATION, 2223947 ONTARIO LIMITED, MC TRUSTEE (KITCHENER) LTD., SCOLLARD TRUSTEE CORPORATION, TEXTBOOK STUDENT SUITES (774 BRONSON AVENUE) TRUSTEE CORPORATION, 7743718 CANADA INC., KEELE MEDICAL TRUSTEE CORPORATION, TEXTBOOK STUDENT SUITES (445 PRINCESS STREET) TRUSTEE CORPORATION and HAZELTON 4070 DIXIE ROAD TRUSTEE CORPORATION**

Respondents

AND

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

**IN THE MATTER OF THE RECEIVERSHIP OF SCOLLARD DEVELOPMENT CORPORATION**

**AND IN THE MATTER OF A MOTION PURSUANT TO SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**MOTION RECORD  
(Returnable April 28, 2017)**

**Volume 3 of 5**

April 18, 2017

**AIRD & BERLIS LLP**  
Barristers & Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, Ontario M5J 2T9

**Steven L. Graff (LSUC # 31871V)**  
Tel: (416) 865-7726  
Fax: (416) 863-1515  
Email: [sgraff@airdberlis.com](mailto:sgraff@airdberlis.com)

**Ian Aversa (LSUC # 55449N)**  
Tel: (416) 865-3082  
Fax: (416) 863-1515  
Email: [iaversa@airdberlis.com](mailto:iaversa@airdberlis.com)

**Jeremy Nemers (LSUC # 66410Q)**  
Tel: 416.865.7724  
Fax: 416.863.1515  
Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

*Lawyers for Grant Thornton Limited, in its capacity  
as the court-appointed trustee of the Tier 1 Trustee  
Corporations*

**TAB 27**

## LOAN AGREEMENT

THIS AGREEMENT is made as of the 1<sup>st</sup> day of October, 2013

B E T W E E N:

**MC TRUSTEE (KITCHENER) LTD.**, a corporation  
incorporated under the laws of the Province of Ontario

(hereinafter referred to as the “**Lender**”)

AND

**MEMORY CARE INVESTMENTS (KITCHENER) LTD.**, a  
corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the “**Borrower**”)

**WHEREAS** the Lender, on the terms and conditions hereinafter set forth, has agreed to lend to the Borrower and the Borrower has agreed to borrow from the Lender the sum of up to **Twelve Million Eight Hundred Thousand (\$12,800,000.00) Dollars** of lawful money of Canada (the “**Principal Sum**”) for a term of Four (4) years (the “**Term**”) in connection with the development and construction by the Borrower of a dedicated Alzheimer’s and dementia care facility project to be constructed on the lands and premises situated at 169 Borden Avenue, Kitchener, Ontario, and more particularly described in Schedule “A” attached hereto (the “**Property**”).

**AND WHEREAS** the Borrower agrees to pay to the Lender interest on the Principal Sum at the Loan Rate (as hereinafter defined), calculated annually and payable quarterly during the Term along with the Additional Loan Payment as more particularly described in Schedule “D” attached hereto;

**AND WHEREAS** the Borrower has agreed to allow a Charge/Mortgage of Land in addition to the other Security Documents, on the terms set out herein, to be registered against the Property in first priority and in favour of the Lender (the “**Mortgage**”), as security for repayment of the Principal Sum with interest at the Loan Rate and the payment of the Additional Loan Payment;

**AND WHEREAS** the Borrower agrees to repay to the Lender the Principal Sum and interest at the Loan Rate and the payment of the Additional Loan Payment on or before the expiry of the Term, as specified herein;

**AND WHEREAS** the Lender and the Borrower (collectively, the “**Parties**”) wish to evidence their agreement in respect of the Loan;

**AND WHEREAS** the Lender acknowledges that the Mortgage shall be granted, *inter alia*, in the form of a syndicated first Charge/Mortgage of Land as more fully described herein and shall be in form and substance satisfactory to the Lender;

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the covenants, agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

#### **ARTICLE 1 RECITALS**

1.01 The Parties to this Agreement acknowledge and agree that the recitals to this Agreement are true and correct in substance and in fact are incorporated into and form an integral part of this Agreement.

#### **ARTICLE 2 DEFINITIONS AND TERMS**

2.01 The following words and phrases have the following meanings when used in this Agreement:

- (a) "Acceleration Date" means the date on which an Acceleration Event occurs;
- (b) "Acceleration Event" means the earlier of: (i) the occurrence of an Insolvency Event; and (ii) the delivery by the Lender to the Borrower of a written notice that the Borrowers Liabilities or any part thereof are immediately due and payable, following the occurrence and during the continuation of an Event of Default other than an Insolvency Event;
- (c) "Additional Loan Payment" has the same meaning as set forth in Section 4.11 hereof;
- (d) "Agreement", means this Agreement entitled "Loan Agreement", and all instruments supplemental hereto or in amendment or confirmation hereof; "hereof", "hereto" and "hereunder" and similar expressions refer to this Agreement, and where relevant, to any particular article, section or paragraph hereof; "Article", "Section" and "paragraph" mean and refer to the specified article, section or paragraph of this Agreement;
- (e) "BIA" means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;
- (f) "Borrower's Books and Records" shall have the same meaning as set forth in Section 7.04 hereof.
- (g) "Borrower's Liabilities", refers collectively to the Loan, all interest from time to time accruing thereon as set forth in this Agreement, and all liabilities and indebtedness now or hereafter owing, arising, due or payable by the Borrower to the Lender whether under this Agreement or the Security Documents and including the Additional Loan Payment;

- (h) "Borrower's Solicitors" shall mean Harris + Harris LLP, or such other solicitors that the Borrower may in writing designate;
- (i) "Business Day", refers to any day other than a Saturday, Sunday or Statutory Holiday in Toronto, Ontario;
- (j) "Closing Date" or "Closing", or similar references means the date of the initial Loan Instalment or the date, as the context requires, of any other Loan Instalments made pursuant hereto;
- (k) "Commodity Taxes" means all commodity taxes, including all sales, use, retail, goods and services, harmonized sales, value-added and similar taxes imposed, levied or assessed by any Governmental Authority;
- (l) "Default" means any event, act, omission or condition which with the giving of notice or the passage of time, or both, would result in an Event of Default;
- (m) "Distributable Cash Proceeds" means all amounts received by the Borrower arising out of the Property or the sale or operation thereof or of the sale of condominium units for the period including but not limited to the following:
  - (i) all revenues derived from the sale of condominium units or any part or all of the Property (including all premiums, upgrade costs (net of commissions) and applicable harmonized sales tax or goods and services tax rebates);
  - (ii) all gross receipts derived from all rents and fees payable by tenants, licensees and concessionaires;
  - (iii) the gross amount, if any, of any insurance proceeds received by the Borrower, including business interruption payments;
  - (iv) the net proceeds of any refinancing, if any, received by the Borrower, other than any construction loan which contains terms prohibiting the use of such loan proceeds to repay existing indebtedness (net of repayments of existing mortgage financing being refinanced); and
  - (v) the gross amount, if any, from partial or total expropriations of all or part of the Property,but excluding: (i) Commodity Taxes which the Borrower is required by law to collect from purchasers, tenants, concessionaires or licensees and remit to an applicable taxing authority.
- (n) "Distribution" means any amount paid to or on behalf of the employees, directors, officers, shareholders, partners or unitholders of the Borrower, by way of salary, bonus, commission, management fees, directors' fees, dividends, redemption of shares,

distribution of profits or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, unitholders, directors, officers, employees, owners or creditors of the Borrower or otherwise, or any other direct or indirect payment in respect of the earnings or capital of the Borrower;

- (o) "Event of Default" is defined in Section 9.01 hereof;
- (p) "Expenses", means all expenses relating to the Loan and all fees and expenses for legal services relative to the preparation, review and enforcement of this Agreement and the Security Documents, the making of Loan Instalments and the repayment of the Borrower's Liabilities and the release of the security therefore;
- (q) "Fiscal Year" means the fiscal year end of the Borrower, being December 31<sup>st</sup> in every year;
- (r) "GAAP" means generally accepted accounting principles in Canada as approved by the Canadian Institute of Chartered Accountants in effect from time to time; and for greater certainty if international financial reporting standards are adopted by the Canadian Institute of Chartered Accountants in replacement for generally accepted accounting principles, each reference to "GAAP" herein shall be deemed to refer to such international financial reporting standards;
- (s) "Governmental Authority" means any: (i) federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental, judicial or administrative body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (t) "Hazardous Materials" means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law;
- (u) "Indemnitees" means the Lender and its successors and permitted assignees, any agent of any of them (specifically including a receiver or receiver-manager) and its officers, directors, employees, beneficial owners and shareholders;
- (v) "Insolvency Event" means, in respect of any Person:
  - (i) such Person ceases to carry on its business; or commits an act of bankruptcy or becomes insolvent (as such terms are used in the BIA); or makes an assignment for the benefit of creditors, files a petition in bankruptcy, makes a proposal or commences a proceeding under Insolvency Legislation; or petitions or applies to any tribunal for, or

consents to, the appointment of any receiver, trustee or similar liquidator in respect of all or a substantial part of its property; or admits the material allegations of a petition or application filed with respect to it in any proceeding commenced in respect of it under Insolvency Legislation; or takes any corporate action for the purpose of effecting any of the foregoing; or

- (ii) any proceeding or filing is commenced against such Person seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts under any Insolvency Legislation, or seeking appointment of a receiver, trustee, custodian or other similar official for it or any of its property or assets; unless (i) such Person is diligently defending such proceeding in good faith and on reasonable grounds as determined by the Lender and (ii) such proceeding does not in the reasonable opinion of the Lender materially adversely affect the ability of such Person to carry on its business and to perform and satisfy all of its obligations hereunder;
- (w) "Insolvency Legislation" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty the BIA, the *Companies' Creditors Arrangement Act* (Canada) and the *Winding-Up and Restructuring Act* (Canada);
- (x) "Interest Reserve" means the amounts set aside or deducted as contemplated in Section 4.12 hereof to fund the obligations of the Borrower to pay interest as set forth in this Agreement on the Loan Instalments that may from time to time be made by the Lender to the Borrower.
- (y) "Laws" means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of such laws, including general principles of common and civil law and equity or policies or guidelines, to the extent such policies or guidelines have the force of law, binding on the Person referred to in the context in which such word is used; and "Law" means any of the foregoing;
- (z) "Lender's Solicitors" shall mean Nancy Elliott, Barrister & Solicitor, or such other solicitors that the Lender may in writing designate;
- (aa) "Lien" means: (i) a lien, charge, mortgage, pledge, security interest or conditional sale agreement; (ii) an assignment, lease, consignment, trust or deemed trust that secures payment or performance of an obligation; (iii) a garnishment; (iv) any other encumbrance of any kind; and (v) any commitment or agreement to enter into or grant any of the foregoing;



- (bb) "Loan", means the aggregate amount, not to exceed Twelve Million Eight Hundred Thousand (\$12,800,000.00) Dollars, of all Loan Instalments made from time to time hereunder by the Lender to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Lender;
- (cc) "Loan Instalment" has the same meaning as set forth in Sub-Section 4.08(a) hereof, with each Loan Instalment to be made in the sole and absolute discretion of the Lender;
- (dd) "Loan Rate", means the annual rate of interest applicable to any particular amount outstanding pursuant to this Agreement being Eight (8%) percent per annum;
- (ee) "Material Adverse Change" means any change or event which: (i) constitutes a material adverse change in the business, operations, condition (financial or otherwise) or properties of the Borrower taken as a whole; or (ii) could materially impair the Borrower's ability to timely and fully perform its obligations under this Agreement or the Security Documents, or materially impair the ability of the Lender to enforce its rights and remedies under this Agreement or the Security Documents;
- (ff) "Material Agreement" means, in respect of the Borrower, any agreement made between the Borrower and another Person which the Lender, in its sole and absolute discretion, determines to be material to the Borrower;
- (gg) "Maturity Date" shall have the same meaning as set forth in Section 4.04 hereof;
- (hh) "Mortgage" has the same meaning as set forth in Sub-Section 5.01(c) hereof;
- (ii) "Note" shall mean the promissory note executed by the Borrower in favour of the Lender in the sum of up to Twelve Million Eight Hundred Thousand (\$12,800,000.00) Dollars which Note shall be in form and substance satisfactory to the solicitors of the Lender;
- (jj) "Outstanding Encumbrances and Liens" shall have the same meaning as set forth in Sub-Section 7.01(l) hereof;
- (kk) "Person", means a natural person, firm, trust, partnership, association, corporation, government or governmental board, agency or instrumentality;
- (ll) "Permitted Encumbrances" are those Liens described in Schedule "E" attached hereto and any construction financing subsequently acquired by the Borrower for the construction of the condominium project of the Property not exceeding Nineteen Million Seven Hundred and Fifty Thousand (\$19,750,000.00) Dollars;
- (mm) "Requirements of Environmental Law" means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) requirements announced by a Governmental Authority as having immediate effect (provided that at the time of making such announcement the government also states its intention of enacting legislation to

confirm such requirements retroactively); (iv) all directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (v) all permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (vi) all requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation and (B) exposure to Hazardous Materials;

- (nn) "Security" means all guarantees, security agreements, mortgages, debentures and other documents mentioned comprising the Security Documents or otherwise and all other documents and agreements delivered by the Borrower or other Persons to the Lender for the benefit of the Lender from time to time as security for the payment and performance of the Borrowers Liabilities, and the security interests, assignments and Liens constituted by the foregoing;
- (oo) "Security Documents", refers collectively to this Agreement, the Mortgage, those documents and instruments referred to in Section 5.01 hereof and any and other documents, agreements or writings delivered to the Lender as contemplated in this Agreement whether as security for the Loan or otherwise. At the option of the Lender, the Security Documents may reflect a fixed rate of interest as designated by the Lender's counsel. Notwithstanding the same, the provisions with respect to the payment of interest as set out in this Agreement shall prevail;
- (pp) "Statutory Lien" means a Lien in respect of any property or assets of a Company created by or arising pursuant to any applicable legislation in favour of any Person (such as but not limited to a Governmental Authority), including a Lien for the purpose of securing the Borrower's obligation to deduct and remit employee source deductions and goods and services tax pursuant to the *Income Tax Act (Canada)*, the *Excise Tax Act (Canada)*, the *Canada Pension Plan (Canada)*, the *Employment Insurance Act (Canada)* and any federal or provincial legislation similar to or enacted in replacement of the foregoing from time to time; and,
- (qq) "Subsidiary" means a business entity which is controlled by another business entity (as used herein, "business entity" includes a corporation, company, partnership, limited partnership, trust or joint venture).

2.02 Unless otherwise provided herein, all financial terms used in this Agreement shall be determined in accordance with GAAP in effect at the date of such determination. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other computation is required to be made for the purpose of this Agreement, such determination or calculation shall be made in accordance with GAAP applied on a consistent basis, unless otherwise indicated.

2.03 All amounts referred to in this Agreement are in Canadian Dollars unless otherwise noted.

2.04 Whenever in this Agreement reference is made to a statute or regulations made pursuant to a statute, such reference shall, unless otherwise specified, be deemed to include all amendments to such statute or regulations from time to time and all statutes or regulations which may come into effect from time to time substantially in replacement for the said statutes or regulations.

2.05 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

### **ARTICLE 3 SCHEDULES**

3.01 The following are the schedules attached to and incorporated in this Agreement by reference and deemed to be a part thereof:

Schedule "A" – Lands to be Charged/Mortgaged

Schedule "B" – Schedule of Interest Payments

Schedule "C" – Expenses

Schedule "D" – Additional Loan Payment

Schedule "E" – Permitted Encumbrances

### **ARTICLE 4 THE LOAN, INTEREST, EXPENSES, AND PAYMENT THEREOF**

4.01 Subject to the terms and conditions hereof, the Lender agrees to provide to the Borrower the Loan.

4.02 The Borrower and the Lender acknowledge and confirm that, notwithstanding any rate of interest set out in the Security Documents or any of them, the provisions of this Agreement regarding the Loan Rate shall govern the rate of interest payable on the Loan. The Borrower and the Lender further acknowledge and confirm that the Security Documents shall be in form and substance satisfactory to the Lender.

4.03 Interest on the Loan Rate shall be determined daily and shall be due, payable and compounded quarterly, not in advance, on the 1st day of each month during such quarterly period, as well after as before demand, maturity, default and judgment, together with interest on overdue interest determined daily (if relevant) and compounded quarterly at the same rate applicable until the Borrower's Liabilities have been paid in full. Interest shall be calculated on the basis of a three hundred and sixty-five (365) day year. Interest on the Loan at the Loan Rate and calculated as aforesaid shall accrue as of the date of the first Loan Instalment. Any disputes on the determination and calculation of interest of the Interest Rate shall be resolved by the Lender, in its opinion but acting reasonably. The first payment of interest and all subsequent payments of interest as aforesaid shall be payable in the amounts and on the dates as set forth in Schedule "B" attached hereto.

4.04 The Loan, together with all accrued and outstanding interest and other charges in connection therewith as set forth in this Agreement and the Security Documents including without limiting the generality of the foregoing the Additional Loan Payment and all other Borrower's Liabilities, shall become fully due and repayable on the fourth anniversary of the first Loan Instalment (the "Maturity Date").

4.05 Any payment provided hereunder to be made by the Borrower to the Lender shall be in certified funds or Bank Draft and shall be payable to the Borrower's Solicitors, in trust, and delivered to the Borrower's Solicitors, or any other payee or office designated by the Lender from time to time. The Borrower's Solicitors shall coordinate further delivery of such funds with the Lender's Solicitors. Any payment as aforesaid received after two o'clock (2:00) p.m. Toronto time shall be deemed to have been received on the next following Business Day.

4.06 This Agreement shall constitute evidence of the obligation of the Borrower to repay all the Borrower's Liabilities in accordance with the terms hereof. The Borrower shall repay the Loan and the Borrower's Liabilities in full on the Maturity Date, and until then shall pay interest at the time or times and in the manner provided herein.

4.07 All Loan Instalments and Expenses as and when advanced or incurred shall be and become secured by the Security Documents and Expenses may be paid by the Lender and be deducted from Loan Instalments which would otherwise have been made to the Borrower. The Security Documents shall be in addition to any other security which the Lender may now have or subsequently acquire for the performance of the Borrower's Liabilities. The Expenses listed in Schedule "C" attached hereto are a list of Expenses (but by no means an exhaustive list of all Expenses) that shall be deducted from the Loan Instalments.

4.08 The Lender and the Borrower mutually acknowledge, confirm, represent and covenant as follows:

- (a) Any amounts advanced by the Lender, in its sole and absolute discretion, to the Borrower pursuant to this Agreement, and pursuant to an offering of secured notes being completed concurrently with the transactions contemplated in this Agreement, shall occur in tranches (the "**Loan Instalments**") with the first Loan Instalment to be in the amount of not less than Four Million Two Hundred and Fifty Thousand (\$4,250,000.00) Dollars. The second Loan Installment is

expected to be in the amount of Two Million Two Hundred and Fifty Thousand (\$2,250,000.00) Dollars;

- (b) the initial face value of the Mortgage will be Six Million Five Hundred Thousand (\$6,500,000.00) Dollars; which amount can be increased where the Borrower obtains a new valuation/appraisal for the property in form satisfactory to Olympia Trust, whereupon Olympia Trust agrees to increase the maximum mortgage amount; provided in no circumstance will the maximum mortgage amount exceed Twelve Million Eight Hundred Thousand (\$12,800,000.00) Dollars; and,
- (c) prior to the release of any funds by the Lender's Solicitors to the solicitor(s) for the Borrower, each Party hereby irrevocably acknowledges and directs that their respective solicitors are authorized to and shall cause to be registered any such instruments on title to the Lands which in the opinion of the solicitor for the Lender may be required as evidence of any sums advanced to the Borrower on the security of this Agreement or the Security Documents.

4.09 The Borrower may not prepay all or any portion of the Borrower's Liabilities hereunder.

4.10 Notwithstanding anything to the contrary contained in this Agreement, any Loan Instalment made by the Lender and the Borrower shall be at the Lender's sole and absolute discretion and the Lender shall not be obligated at any time or times to make any Loan Instalment to the Borrower.

4.11 In addition to the payment by the Borrower of the Loan plus interest as set forth in this Agreement, the Borrower shall also pay to the Lender, in certified funds or Bank Draft, forthwith after the determination is made by the Lender in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as described in Schedule "D" attached hereto in the same manner as contemplated in Section 4.05 hereof. Notwithstanding the foregoing, the Lender, at its option, may also deduct from the Distributable Cash Proceeds, at any time and from time to time, all or any part of the Additional Loan Payment that the Lender, in its opinion, believes is due and payable.

4.12 The parties hereto acknowledge, confirm, covenant and agree that the Lender shall be deducting from the first Loan Instalment and any subsequent Loan Instalments an amount equal to the projected interest on the amount of such Loan Instalment for 12 months which shall be a contribution of the Borrower to the Interest Reserve. The parties hereto further acknowledge, confirm, covenant and agree that the Lender may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Lender's Solicitors or received from the Borrower, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Borrower covenants and agrees that the amount in the Interest Reserve shall be applied by the Lender against the obligations of the Borrower to pay interest hereunder on the Loan Instalments and that once applied or deducted by the Lender from the Loan Instalments, the Distributable Cash Proceeds or otherwise, the Borrower shall have no claim against the funds in the Interest Reserve. The Lender agrees to provide monthly reports on the disposition, if any, of funds set aside and in the Lender's Solicitors trust account.

4.13 The Borrower, at any time after the third anniversary hereof, shall be entitled to repay all or a portion of the Loan without penalty, notice or bonus and the interest at the rate of 8% per annum on the principal outstanding ceasing at the date of prepayment; provided that the Lender shall continue to be entitled to the Additional Loan Payment for all four years of this Loan, even though the Loan shall have been prepaid prior to the four year term expiry (to also be paid at the time of prepayment) plus the prepayment fee; but shall not be entitled to any Additional Loan Payment for the fourth year of the term of this Loan nor any compensation for loss of interest after the date of such prepayment.

## **ARTICLE 5 SECURITY**

5.01 The Borrower agrees to provide the Security Documents listed below to the Lender, as continuing security for the payment and performance of all of its present and future, direct and indirect obligations to the Lender, specifically including the Loan, the Borrowers Liabilities and its direct indebtedness and obligations to the Lender arising under this Agreement:

- (a) The Note;
- (b) A mortgage in the amount of the Principal Sum (or such lesser amount as determined by the Lender in its sole and unfettered discretion) ranking as a first mortgage; provided that said mortgage shall be subordinated to any construction financing (in one or multiple tranches) not exceeding in the aggregate Nineteen Million Seven Hundred and Fifty Thousand (\$19,750,000.00) Dollars obtained by the Borrower related to construction of the dedicated Alzheimer's and dementia care project on the Property and for the hard and soft costs related thereto (the "Mortgage");
- (c) if requested by the Lender from time to time, security agreements creating an assignment security interest in respect of its rights to and interest in Material Agreements to which it is a party, together with any necessary consents from the other parties thereto which security interest may not be a first ranking security interest;
- (d) an assignment of its interest in all policies of insurance, specifically including the right to receive any refunds of premiums paid thereunder; and
- (e) such other security and further assurances as the Lender may reasonably require from time to time.

5.02 The Security Documents shall be in form and substance satisfactory to the Lender, acting reasonably. The Lender may require that any item of Security Documents be governed by the laws of the jurisdiction where the property subject to such item of Security Documents is located. The Security Documents shall be registered by the Lender or, at the request of the Lender, by the Borrower, all at the Borrower's cost and expense, where necessary or desirable to record and perfect the charges contained therein, as determined by the Lender in its sole and absolute discretion.

5.03 The Borrower shall cause to be delivered to the Lender prior to each Loan Instalment the opinion of the solicitors for the Borrower regarding its corporate status, the due authorization, execution and delivery of the Security Documents provided by it, all registrations in respect of the Security Documents, the results of all applicable searches in respect of them, and the enforceability of such Security Documents and any other matters requested by the Lender in its opinion; all such opinions to be in form and substance satisfactory to the Lender.

5.04 The Borrower shall execute and deliver from time to time all such further documents and assurances as may be reasonably required by the Lender from time to time in order to provide the Security Documents contemplated hereunder, specifically including supplemental or additional security agreements which shall include lists of specific assets to be subject to the security interests required hereunder.

5.05 If insurance proceeds become payable in respect of loss of or damage to any property owned by the Borrower the Lender shall apply such proceeds against the Borrower's Liabilities (allocated amongst the components of the Borrower's Liabilities, at all times, by the Lender in its sole and absolute discretion).

#### ARTICLE 6 COVENANTS, REPRESENTATIONS AND WARRANTIES

6.01 The Borrower represents and warrants to the Lender as follows (which shall survive the execution and delivery of this Agreement), the truth and accuracy of which are a continuing condition of the advance of the Loan Instalments and the Borrower hereby acknowledges, confirms and agrees that the Lender is relying on such representations and warranties:

- (a) The Borrower is a validly subsisting corporation under the *Business Corporations Act* (Ontario), and is duly qualified to carry on its business in the jurisdiction in which it carries on business and has the power and authority to enter into and perform its obligations under this Agreement, is the registered owner of the Property and is legally entitled to carry on its business as currently conducted or as currently contemplated.
- (b) The Borrower has obtained all material licenses, permits and approvals from all governments, governmental commissions, boards and other agencies of jurisdictions in which it carries on (or contemplates carrying on) business which are required and which will allow for the development of the Property.
- (c) The Borrower or its solicitor has delivered to the Lender, or its solicitor, copies of the constating documents of the Borrower and the Lender's solicitor has obtained a legal opinion from the Borrower's solicitor that the Borrower is authorized to enter into this Agreement and the Security Documents.
- (d) The execution, delivery and performance of this Agreement and the Security Documents has been duly authorized by all requisite action on the part of the Borrower; and this Agreement and the Security Documents have been, or will be,

duly executed and delivered by the Borrower, and this Agreement and the Security Documents delivered or to be delivered pursuant hereto and thereto constitutes, or when delivered will constitute, a valid and binding obligation of the Borrower and enforceable against the Borrower in accordance with their terms, subject to the application of bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally and the fact that the right to obtain judicial orders requiring specific performance or other equitable remedies is in the discretion of the court.

- (e) The Borrower shall and does indemnify and hold harmless the Lender and the Indemnitees from and against all losses, claims, damages, liabilities, and expenses, to which any such person or entity may become subject arising out of or in connection with this Agreement, the use of proceeds, or any related transaction or any claim, litigation, investigation or proceeding, relating to any of the foregoing, regardless of whether the Lender is a party thereto, and to reimburse the Lender, forthwith upon demand for any reasonable, legal or other expenses incurred in connection with investigating or defending any of the foregoing.
- (f) The Borrower acknowledges that neither its execution nor delivery of this Agreement or the Security Documents the consummation of the transactions herein contemplated nor compliance with the terms, conditions and provisions hereof or thereof does not and will not conflict with, and does not and will not result in any breach of or constitutes a default under any of the provisions of the constating documents or by-laws of the Borrower or any applicable Law including applicable securities laws, rules, policies and regulations or any contract or agreement upon or to which the Borrower is a party.
- (g) The Borrower has good and marketable title to the Property and its assets free from all mortgages, security interests, Liens, pledges, charges, encumbrances, title retention agreements, options or adverse claims, other than the permitted encumbrances as identified in Schedule "D" attached hereto (the "Permitted Encumbrances") and the Outstanding Encumbrances and Liens.
- (h) The Borrower has filed or caused to be filed, in a timely manner all tax returns, reports and declarations, which are required to be filed by it. All information in such tax returns, reports and declarations is complete and accurate in all material respects. The Borrower has paid or caused to be paid all taxes due and payable or claimed due and payable in any assessment received by it, except taxes the validity of which are being contested in good faith by appropriate proceedings diligently pursued and available to the said Borrower and with respect to which adequate reserves have been set aside on its books. Adequate provision has been made for the payment of all accrued and unpaid federal, provincial, local, foreign and other taxes whether or not yet due and payable and whether or not disputed.
- (i) All representations and warranties of the Borrower contained in this Agreement or in any of the Security Documents shall survive the execution and delivery of this Agreement and shall be deemed to have been made again to the Lender on the



date of each Loan Instalment pursuant to this Agreement and shall be conclusively presumed to have been relied on by the Lender regardless of any investigation made or information possessed by the Lender. The representations and warranties set forth herein shall be cumulative and in addition to any other representations or warranties which the Borrower shall now or hereafter give, or cause to be given, to the Lender.

- (j) The Borrower further acknowledges and agrees that the terms of this Agreement shall override the terms of any previous loan agreements to which the Borrower and the Lender may be or may have been Parties.
- (k) The Borrower acknowledges that the Lender may have executed a loan agreement that has been amended to accommodate the beneficial owners of the Lender and the Borrower agrees to abide by the specific terms of each of said Agreements.
- (l) The Borrower has no Subsidiaries.
- (m) no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any properties or assets of the Borrower out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of the Borrower.
- (n) The Borrower is in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and is duly licensed, registered and qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the property owned or leased by it make such qualification necessary; and all such licences, registrations and qualifications are valid and subsisting and in good standing.
- (o) The Borrower owns, possesses and has a good and marketable title to its undertaking, property and assets, free and clear of any and all Liens except for Permitted Encumbrances and the Outstanding Encumbrances and Liens. The Borrower does not have any commitment or obligation (contingent or otherwise) to grant any Liens except for the Permitted Encumbrances. No event has occurred which constitutes, or which with the giving of notice, lapse of time or both.
- (p) The Borrower have placed insurance, including property, boiler and machinery, business interruption and liability insurance, in appropriate amounts and for appropriate risks as would be considered prudent for similar business.
- (q) The Borrower and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials. The Borrower holds all material permits, licenses, certificates and approvals from

Governmental Authorities which are required in connection with (i) air emissions; (ii) discharges to surface or groundwater; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation or disposal of Hazardous Materials; and (vi) all other Requirements of Environmental Law. There has been no material emission, spill, release, or discharge into or upon (i) the air; (ii) soils, or any improvements located thereon; (iii) surface water or groundwater; or (iv) the sewer, septic system or waste treatment, storage or disposal system servicing the premises, of any Hazardous Materials at or from the Property, and there has been no complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person with respect to (i) air emissions; (ii) spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing the Property; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation, or disposal of Hazardous Materials; or (vi) other Requirements of Environmental Law affecting the Property. There are no legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the Properties, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion with any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims. The Borrower has no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials (including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal).

- (r) Save and except for the and the Outstanding Encumbrances and Liens, there are no actions, suits or proceedings now pending, or to the Borrower's knowledge, threatened, against the Borrower in any court or before or by any federal, provincial, municipal or other Governmental Authority.
- (s) No guarantees have been granted by the Borrower.
- (t) The Borrower has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax, employment insurance and Canada Pension Plan contributions), goods and services and Harmonized Sales tax and all other amounts which if not paid when due could result in the creation of a Statutory Lien against any of the Borrower's property including the Property, except for Permitted Encumbrances.
- (u) Save and except for and the Outstanding Encumbrances and Lien, no Default, Event of Default or Material Adverse Change has occurred and is continuing.

- (v) All financial and other information furnished by or in respect of the Borrower to the Lender for the purposes of or in connection with this Agreement or the Security Documents are true and accurate in all material respects and is not incomplete by omitting to state any fact necessary to make such information not misleading. There are no facts known to the Borrower which could materially adversely affect the Borrower's ability to observe and perform their obligations under the Security Documents, or which if known to the Lender could reasonably be expected to deter the Lender from making any Loan Instalments hereunder on the terms and conditions contained herein.

## ARTICLE 7 COVENANTS

7.01 The Borrower hereby covenants and agrees with the Lender that it will:

- (a) pay all principal, interest and other amounts due hereunder including the Borrowers Liabilities at the times and in the manner specified herein;
- (b) maintain its corporate existence in good standing, continue to carry on its business, preserve its rights, powers, licences, privileges, franchises and goodwill, exercise any rights of renewal or extensions of any leases, licences, concessions, franchises or any other rights whatsoever which are material to the conduct of its business, maintain all qualifications to carry on business in each jurisdiction in which such qualifications are required, and carry on and conduct its business in a proper and efficient manner so as to protect its property and income; and not materially change the nature of its business;
- (c) comply in all material respects with all applicable Laws (specifically including, for greater certainty, all applicable Requirements of Environmental Law), use the proceeds of all Loan Instalments hereunder for legal and proper purposes in connection with the purposes set out in the first recital of this Agreement, and obtain and maintain in good standing all material leases, licences, permits and approvals from any and all Governmental Authorities required in respect of its business and operations;
- (d) pay when due all rents, taxes, rates, levies, assessments and governmental charges, fees and dues lawfully levied, assessed or imposed in respect of its property which are material to the conduct of its business, and deliver to the Lender upon request receipts evidencing such payments;
- (e) maintain adequate books, accounts and records in accordance with GAAP;
- (f) keep the Property and its assets in good repair and working condition;
- (g) permit the Lender and its employees, representatives and agents (during normal business hours and in a manner which does not materially interfere with its business) to enter upon and inspect the Property and its properties, assets, books and records from time to time and make copies of and abstracts from such books and records, and

discuss its affairs, finances and accounts with its officers, directors, accountants and auditors; such access shall be on 48 hours' prior notice unless a Default has occurred and is continuing in which event no notice shall be required;

- (h) obtain from financially responsible insurance company and maintain liability insurance, all-risks property insurance on a replacement cost basis (less a reasonable deductible not to exceed amounts customary in the industry for similar businesses and properties), business interruption insurance and insurance in respect of such other risks as the Lender may reasonably require from time to time; all of which policies of insurance shall be in such amounts as may be reasonably required by the Lender and shall include a standard mortgage clause approved by the Insurance Bureau of Canada; and the Lender's interest shall be noted as an additional insured on all liability insurance policies and as second mortgagee and loss payee on all other insurance policies; and the Lender shall be provided with certificates of insurance and certified copies of such policies from time to time upon request;
- (i) fulfil all covenants and obligations required to be performed by it under this Agreement and the Security Documents to which it is a party and any other agreement or undertaking now or hereafter made between it and the Lender;
- (j) provide prompt notice to the Lender of: (i) the occurrence of any Default or Event of Default; (ii) the incorrectness of any representation or warranty contained herein or any Security Documents in any material respect; (iii) any material contravention of or non-compliance by any Borrower with any terms and conditions of this Agreement or any Security Document; (iv) any Material Adverse Change; (v) any litigation affecting the Borrower; (vi) any material labour dispute affecting the Borrower; or (vii) any notice in respect of the termination or suspension of, or a material default under, any Material Contract;
- (k) provide the Lender with such further information, financial data, documentation and other assurances as the Lender may reasonably require from time to time in order to ensure ongoing compliance with the terms of this Agreement and the Security Documents and to achieve the spirit and intent of this Agreement;
- (l) The Borrower hereby covenants and agrees with the Lender that the first Loan Instalment will be used to purchase the Property free and clear of any encumbrances and liens. The Borrower acknowledges that no funds will be disbursed directly to the Borrower until the Property has been acquired, free and clear of liens and encumbrances.

7.02 The Borrower hereby covenants and agrees with the Lender that it will not without the prior written consent of the Lender (which consent may be withheld in the sole and absolute discretion of the Lender):

- (a) grant or suffer to exist any Liens in respect of any of its property and assets including the Property, except the Permitted Encumbrances;

- (b) directly or indirectly sell or otherwise dispose of any of its assets save and except in the ordinary course of its business or further save and except to sales of dwelling units to bona fide arm's length third party purchasers of Lots;
- (c) make any Distributions;
- (d) not materially change the nature of its business, maintain a place of business or any material assets in any jurisdiction other than the Province of Ontario, or enter into any transaction whereby all or a substantial portion of its undertaking, property and assets would become the property of any other Person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, in each case without the prior written consent of the Lender in its sole and absolute discretion;
- (e) change its Fiscal Year (which for greater certainty presently ends on the last day of December in each year);
- (f) change its Accountants except with the prior written consent of the Lender which consent shall not be unreasonably withheld; and,
- (g) use the proceeds of any Loan Instalment for any purposes other than the development and construction of an Alzheimer's and Dementia care facility on the Property.

7.03 The Borrower shall deliver by courier delivery to the Lender the following financial and other information at the times indicated below:

- (a) the annual Year-end Financial Statements of the Borrower, by the 120th day after the end of the Fiscal Year accompanied by a Compliance Certificate certified by the Chief Financial Officer of the Borrower or other senior officer of the Borrower acceptable to the Lender;
- (b) within the first 120 days after the start of each Fiscal Year, a business plan for the Borrower in respect of such Fiscal Year, which shall disclose all material assumptions utilized and shall include the following items set out on a quarterly basis: balance sheet, income statement, cashflow statement, Capital Expenditures and tax liabilities; and
- (c) such additional information and documents as the Lender may reasonably require from time to time.

7.04 Full, true and accurate accounting and financial information shall be kept by the Borrower in accordance with GAAP as of the date hereof until at least after eighteen (18) months after the Borrower's Liabilities have been repaid. The Lender or anyone designated by the Lender shall have access to the books, records, financial information, financial statements and data of the Borrower (the "Borrower's Books and Records") at any and all times during regular business hours for the purpose of examining and reviewing the Borrower's Books and Records. The Lender shall not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of the Lender's business.

7.05 The Lender hereby covenants with the Borrower, that the Lender shall execute any necessary documents and register such documents as may be reasonably requested by any construction financier to subordinate the Lender's Mortgage security to any mortgage or other security granted by the construction financier to the Borrower, for the purposes of funding the Borrower's construction of the project on the Property (which shall include demolition costs and professional fees in furtherance of such construction (architectural, engineering, etc.)); and the Lender appoints the Borrower as the Lender's power of attorney to execute any required documents on behalf of the Lender to evidence the foregoing.

## ARTICLE 8 CONDITIONS PRECEDENT

8.01 The Lender shall have no obligation to make the first Loan Instalment hereunder or any Loan Instalments thereafter on the Closing Date unless at the time of making such Loan Instalment the following terms and conditions (which are condition precedents in favour of the Lender) shall have been satisfied in the opinion of the Lender:

- (a) the Lender shall have completed and shall be satisfied with its due diligence in respect of the Property;
- (b) all representations and warranties made by the Vendor contained in this Agreement or the Security Documents shall be true, correct and complete in all material respects;
- (c) all Security Documents required to be provided at the time of the first Loan Instalment shall have been executed and delivered, all registrations necessary or desirable in connection therewith shall have been made, and all legal opinions and other documentation required by the Lender in connection therewith shall have been executed and delivered, all in form and substance satisfactory to the Lender in its sole and absolute discretion;
- (d) the Lender shall have received satisfactory evidence that there are no Liens affecting the Borrower or its assets, except for Permitted Encumbrances and the Outstanding Encumbrances and Liens which shall be paid in full and deducted from the First Loan Instalment on the Closing Date;
- (e) the Lender shall have received particulars of all Permitted Encumbrances, specifically including the assets encumbered thereby, the amounts due thereunder, and confirmation from the holders thereof that the terms thereof are being complied with;
- (f) the property and assets of the Borrower shall be insured on the Closing Date; the terms and conditions of such insurance to be in compliance with the requirements of this Agreement in the opinion of the Lender;
- (g) the Lender shall have received an officer's certificate and certified copies of resolutions of the board of directors of the Borrower concerning the due authorization, execution and delivery of the Security Documents to which it is a party, and such related matters as the Lender may reasonably require;

- (h) the Lender shall have received from the Borrower a certificate of status as of the Closing Date or the date of any Loan Instalment, as the case may be, certificate of compliance or similar certificate for the Borrower issued by its governing jurisdiction and each other jurisdiction in which it carries on business or holds any material assets;
- (i) the Lender shall have received such additional evidence, documents or undertakings as it may reasonably require to complete the transactions contemplated hereby in accordance with the terms and conditions contained herein;
- (j) All Realty Taxes related to the Property are up-to-date as of the Closing Date; and
- (k) All mortgages, charges, Liens and encumbrances have been discharged, on the Closing Date and prior to any Loan Instalment being made.

8.02 The Borrower hereby acknowledges, confirms, covenants and agrees that the Lender is syndicating the Loan and therefore, the Lender shall have no obligation to make the first Loan Instalment hereunder on the Closing Date or any Loan Instalment thereafter unless at the time of making such Loan Instalment the syndication of the Loan has been completed in the opinion of the Lender.

#### **ARTICLE 9 DEFAULT AND REMEDIES**

9.01 The occurrence of any one or more of the following events, after the expiry of any applicable cure period set out below, shall constitute an event of default under this Agreement (an "Event of Default"):

- (a) the Borrower fails to pay any principal, interest, Expenses or any other amount payable hereunder when due under the terms of this Agreement or any of the Security Documents;
- (b) any representation, warranty or statement made to the Borrower herein or in any Security Documents is incorrect in any material respect on the date on which such representation, warranty or statement was made or deemed to have been made, or subsequently becomes incorrect in any material respect; provided that if such representation, warranty or statement is capable of being corrected within twenty (20) days, the Borrower diligently attempts to take all such action as may be necessary in order that such representation, warranty or statement will become correct and diligently keep the Lender informed of its efforts in this regard, and such representation, warranty or statement is correct by not later than the expiry of such twenty (20) day period on the opinion of the Lender, then the incorrectness of such representation, warranty or statement shall not constitute an Event of Default;
- (c) the Borrower fails to perform or comply with any of the covenants or obligations set out in this Agreement;

- (d) the Borrower fails to perform or comply with any of its covenants or obligations contained in any of the Security Documents, in each case, following receipt of notice of such non-compliance from the Lender; provided that if such non-compliance is capable of remedy within twenty (20) days, the Borrower diligently attempts to remedy such non-compliance and diligently keeps the Lender informed of its efforts in this regard, and such non-compliance is remedied within such twenty (20) day period in the opinion of the Lender, then such non-compliance shall not constitute an Event of Default;
- (e) an Insolvency Event occurs in respect of the Borrower;
- (f) any document constituting part of the Security Documents shall for any reason cease to be in full force and effect or shall be declared in a final judgment of a court of competent jurisdiction to be null and void; or the Borrower contests the validity or enforceability thereof or denies it has any further liability or obligation thereunder; or any document constituting part of the Security Documents shall for any reason fail to create a valid and perfected First-Ranking Security Interest subject to Permitted Encumbrances in the opinion of the Lender, in and to the property purported to be subject thereto, except that if such failure is capable of remedy within thirty (30) days, the Borrower diligently attempts to remedy such failure and diligently informs the Lender of its efforts in this regard, and the failure is remedied within such thirty (30) day period in the opinion of the Lender, then the failure shall not constitute an Event of Default;
- (g) any Person takes possession, or threatens to take possession, of any property of the Borrower including the Property by way of or in contemplation of enforcement of any security it may hold, or a distress or execution or similar process is levied or enforced against any such property; and,
- (h) any Governmental Authority shall take any action or proceeding to condemn, seize or appropriate any property of the Borrower that is material to its financial condition, business or operations.

9.02 Upon the occurrence of an Insolvency Event, the Borrower's Liabilities shall become immediately due and payable, without the necessity of any demand upon or notice to the Borrower by the Lender. Upon the occurrence and during the continuation of any Event of Default other than an Insolvency Event, the Lender may by written notice to the Borrower declare the Borrower's Liabilities to be immediately due and payable. Upon the occurrence and during the continuation of an Event of Default, both before and after the Acceleration Date, all outstanding Loan Instalments shall bear interest at the Loan Rate plus two percent (2%) per annum in order to compensate the Lender for the additional risk.

9.03 Upon the occurrence and during the continuation of an Event of Default, the Lender may apply any proceeds of realization from any Security or related to this Agreement or the Security Documents, against any portion or portions of the Borrower's Liabilities, and the Borrower may not require any different application. The taking of a judgment or any other action or dealing whatsoever by the Lender in respect of the Security Documents shall not operate as a merger of



any of the Borrower's Liabilities hereunder or in any way affect or prejudice the rights, remedies and powers which the Lender may have, and the foreclosure, surrender, cancellation or any other dealing with any Security Documents or the said obligations shall not release or affect the liability of the Borrower or any other Person in respect of the remaining portion of the Borrower's Liabilities.

9.04 The Lender shall not be obliged to make any further Loan Instalments from and after the earliest to occur of the following: (i) delivery by the Lender to the Borrower of a written notice that a Default or an Event of Default has occurred and is continuing (whether or not such notice also requires immediate repayment of the Borrower's Liabilities); (ii) the occurrence of an Insolvency Event; and (iii) receipt by the Borrower of any garnishment notice or other notice of similar effect in respect of the Borrower pursuant to the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada) or any similar notice under any other statute.

9.05 All of the rights and remedies granted to the Lender in this Agreement and the Security Documents, and any other rights and remedies available to the Lender at law or in equity, shall be cumulative. The exercise or failure to exercise any of the said remedies shall not constitute a waiver or release thereof or of any other right or remedy, and shall be non-exclusive.

9.06 If the Borrower fails to perform any covenant or obligation to be performed by it pursuant to this Agreement or the Security Documents, the Lender may in its sole and absolute discretion, after written notice to the Borrower, perform any of the said obligations but shall be under no obligation to do so; and any amounts expended or advanced by the Lender for such purpose shall be payable by the Borrower upon demand together with interest at the Interest Rate.

9.07 If the Borrower intends to take the benefit of any Insolvency Legislation, including making an assignment for the general benefit of creditors, making a proposal or filing a notice of intention to make a proposal under Insolvency Legislation, the Borrower covenants and agrees to provide the Lender with five (5) Business Days' prior written notice before any of the aforementioned proceedings are commenced. As soon as possible prior to the commencement of any such proceedings, the Borrower shall provide to the Lender copies of all relevant filing materials, including copies of draft court orders, plans of compromise, proposals and notices of intention. During this notice period the Lender may, in its sole discretion, elect to exercise any and all rights and remedies which may be available to it at that time as set out in this Agreement.

## ARTICLE 10 GENERAL CONTRACT TERMS

10.01 The failure or delay by the Lender in exercising any right or privilege with respect to the non-compliance with any provisions of this Agreement by the Borrower and any course of action on the part of the Lender, shall not operate as a waiver of any rights of the Lender unless made in writing by the Lender. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given and shall not constitute a waiver of any other rights and remedies of the Lender with respect to any other or future non-compliance.

10.02 In addition to any other liability of the Borrower hereunder, the Borrower hereby agrees to indemnify and save harmless the Indemnitees from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including reasonable legal fees on a solicitor and his own client basis) of any kind or nature whatsoever (but excluding any consequential damages and damages for loss of profit) which may be imposed on, incurred by or asserted against the Indemnitees (except to the extent arising from the negligence or wilful misconduct of such Indemnitees) which relate or arise out of or result from:

- (a) any failure by the Borrower to pay and satisfy its obligations hereunder and the Security Documents including the Borrower's Liabilities; and,
- (b) any investigation by Governmental Authorities or any litigation or other similar proceeding related to any use made or proposed to be made by the Borrower of the proceeds of any Loan Instalment
- (c) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the failure of the Borrower to comply with all Requirements of Environmental Law;
- (d) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the presence of any Hazardous Material situated in, on or under any property owned by the Borrower including the Property or upon which it carries on business; and
- (e) any and all liabilities, losses, damages, penalties, expenses (including reasonable legal fees) and claims which may be paid, incurred or asserted against the Indemnitees for, in connection with, or as a direct or indirect result of, any legal or administrative proceedings with respect to the presence of any Hazardous Material on or under any property owned by the Borrower including the Property or upon which it carries on business, or the discharge, emission, spill, radiation or disposal by the Borrower of any Hazardous Material into or upon the Property, the atmosphere, or any watercourse or body of water; including the costs of defending and/or counterclaiming or claiming against third parties in respect of any action or matter and any cost, liability or damage arising out of a settlement entered into by the Indemnitees of any such action or matter;

10.03 The termination of this Agreement shall not relieve the Borrower from its obligations to the Lender arising prior to such termination, such as but not limited to obligations arising as a result of or in connection with any breach of this Agreement or the Security Documents, any failure to comply with this Agreement or the Security Documents or the inaccuracy of any representations and warranties made or deemed to have been made prior to such termination, and obligations arising pursuant to all indemnity obligations contained herein.

10.04 If the Borrower fails to pay when due any Expenses or other amounts paid by the Lender hereunder (other than principal or interest on any Loan Instalment), the Borrower agrees to pay interest on such unpaid amount from the time such amount is due until paid at the Loan Rate.

10.05 Without prejudice to any other method of giving notice, all communications provided for or permitted hereunder shall be in writing and delivered to the addressee by prepaid private courier or sent by telecopy to the applicable address and to the attention of the officer of the addressee as follows:

(i) to the Borrower:

1703858 Ontario Ltd.  
c/o Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: John Davies

with a copy to:

Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: Mr. Gregory H. Harris  
Fax Number: 905-629-4350

(ii) if to the Lender:

c/o Tier 1 Transaction Advisory Services Inc.  
3655 Kingston Road  
Toronto, ON M1M 1S2

Attention: Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: (416) 628-5597

Any communication transmitted by prepaid private courier shall be deemed to have been validly and effectively given or delivered on the Business Day after which it is submitted for delivery. Any communication transmitted by telecopy shall be deemed to have been validly and effectively given or delivered on the day on which it is transmitted, if transmitted on a Business

Day on or before 5:00 p.m. (local time of the intended recipient), and otherwise on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner.

10.06 Any provision of this Agreement which is illegal, prohibited or unenforceable in any jurisdiction, in whole or in part, shall not invalidate the remaining provisions hereof; and any such illegality, prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.07 The Borrower shall from time to time at its own expense promptly execute and deliver or cause to be executed and delivered to the Lender all such other and further documents, agreements, opinions, certificates and instruments which may be requested by the Lender if necessary or desirable to more fully record or evidence the obligations intended to be entered into herein, or to make any recording, file any notice or obtain any consent.

10.08 Time shall be of the essence of this Agreement.

10.09 The Borrower may not assign any of its rights or obligations under this Agreement without the prior written consent of the Lender. The Lender may grant participations in all or any portion of its rights under this Agreement from time to time without notice to or obtaining the prior written consent of the Borrower. The Borrower agrees to co-operate fully with the Lender in connection with any assignment or participation pursuant to this section, and agrees to execute and deliver from time to time in favour of the Lender and any such assignee or participant such documents and assurances as may be reasonably required by the Lender or the assignee or participant in connection with such assignment or participation.

10.10 This Agreement and any other documents or instruments contemplated herein or therein shall constitute the entire agreement and understanding between the Borrower and the Lender relating to the subject-matter hereof. For greater certainty and without limiting the generality of the foregoing, this Agreement supersedes all discussion papers previously issued by the Lender relating to the proposed establishment of the Loan, which have no force or effect.

10.11 To the extent that there is any inconsistency between a provision of this Agreement and a provision of any document constituting part of the Security including the Security Documents, the provision of this Agreement shall govern. For greater certainty, a provision of this Agreement and a provision of any Security Document shall be considered to be inconsistent if both relate to the same subject-matter and the provision in the Security Document imposes more onerous obligations or restrictions than the corresponding provision in this Agreement (excluding fees and Expenses).

10.12 This Agreement shall be interpreted in accordance with the laws of the Province of Ontario. Without prejudice to the right of the Lender to commence any proceedings with respect to this Agreement in any other proper jurisdiction, the parties hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Ontario.

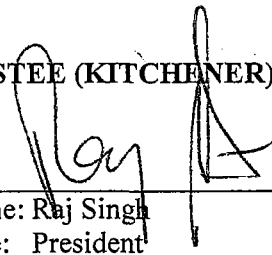
10.13 This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement. This Agreement may be executed by facsimile, and any signature contained hereon by facsimile shall be deemed to be equivalent to an original signature for all purposes.

10.14 This Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of any party with any other corporation.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date written on the first page hereof.

**MC TRUSTEE (KITCHENER) LTD.**

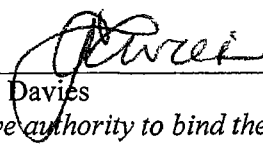
Per: \_\_\_\_\_

  
Name: Raj Singh  
Title: President

*I have authority to bind the corporation*

**MEMORY CARE INVESTMENTS  
(KITCHENER) LTD.**

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

  
John Davies

*I have authority to bind the corporation*

**SCHEDULE "A"**  
**THE LANDS**

**Legal Description:**

PIN: 22507-0109 LT  
LT 6 PL 655 KITCHENER; KITCHENER

**Municipal Description:**

169 Borden Avenue, Kitchener, Ontario

**SCHEDULE "B"**  
**SCHEDULE OF INTEREST PAYMENTS**

Interest payments shall be calculated at an annual interest rate of EIGHT PERCENT (8%), paid quarterly in trust to the Borrower's Solicitor, commencing on or about January 1, 2014. All funds advanced after October 1, 2013 will receive an initial payment pro rated up to and including January 1, 2014 and full payments quarterly until the maturity date, anticipated to be on or about November 1, 2017.

**SCHEDULE "C"**  
**EXPENSES**

The Expenses include the following:

- a) Mortgage Brokerage Fee of \$128,000 payable to First Commonwealth Mortgage Corporation and Tier 1 Mortgage Corporation (collectively, referred to as the "**Mortgage Broker**"); (based on a maximum mortgage advance of \$12,800,000). The fee payable to the Mortgage Broker is 1% of the mortgage amount advanced.
  
- b) Referral and Related Fees of \$1,920,000 payable on account of fees and commission incurred in relation to the Loan which shall be paid as the Mortgage Broker may in writing direct (based on a maximum mortgage advance of \$12,800,000 where the actual mortgage advance is less than \$12,800,000, the referral and related fees will be proportionately reduced); and,
  
- c) Legal Fees. Legal Fees of \$20,000.00 plus HST plus Disbursements (which shall include Title Insurance and other Expenses) shall be payable to the Lender's Solicitors which shall be deducted from the first Loan Instalment. In the event that there is more than one (1) Loan Instalments, then additional legal fees of \$3,000 plus HST plus Disbursements shall be paid to the Lender's Solicitors on each additional Loan Instalment. The fees, taxes and disbursements of the Borrower's Solicitors shall be paid in addition to the fees, taxes and disbursements of the Lender's Solicitors. It is estimated the fees of the Borrower's Solicitors shall be \$28,000 (plus HST and disbursements) for the first Loan Instalment and \$17,000 (plus HST and disbursements) for each Loan Instalment thereafter, exclusive of the costs of preparation of any offering documents in jurisdictions where such documents are required.



**SCHEDULE "D"**  
**ADDITIONAL LOAN PAYMENT**

The Additional Loan Payment shall be an amount equal to four (4%) per cent per annum of the face value of the Mortgage and shall be payable for such time as the Loan remains outstanding, as determined by the Lender (the "Additional Loan Payment"). The Additional Loan Payment shall be payable by the Borrower from the Distributable Cash Proceeds or from the proceeds being held by the Lender's Solicitor, in trust, as contemplated in Sub-Section 7.01(n) of this Agreement. The payment of the Additional Loan Payment may be paid at any time and from time to time to the Lender after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement. If the face amount of the Mortgage is less than \$12,800,000, the Additional Loan Payment shall be reduced accordingly. The Additional Loan Payment will be paid after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement as determined by the Lender, acting reasonably.

For the sake of clarity, if the face amount of the Mortgage is \$6,500,000 and the Borrower's Liabilities have not been paid until the fourth anniversary of the first Loan Instalment, then the amount of the Additional Loan Payment payable by the Borrower to the Lender shall be \$1,040,000, or 4% per annum for each year the Mortgage is outstanding; which interest amount shall not be compounded from time to time. Notwithstanding the foregoing, the calculation of the Additional Loan Payment and the timing of the payments thereof shall be determined by the Lender, acting reasonably.

The Lender shall provide to the Borrower reasonable notice of any payments made on account of the Additional Loan Payment. If the Borrower exercises its right to prepay all or a portion of the Loan, then the 4% per annum Additional Loan Payment for the fourth year of the term of this Loan shall continue to be payable, in full, notwithstanding any prepayment, from Distributable Cash Proceeds.

**SCHEDULE "E"**  
**PERMITTED ENCUMBRANCES**

1. Liens for municipal property taxes, local improvement assessments or taxes, or other taxes, assessments or recoveries relating to the Property which are not at the time due;
2. The reservations, limitations, exceptions, provisos and conditions, if any expressed in any original grants from the Crown including, without limitation, the reservations of any mines and minerals in the Crown or in any other person.
3. Any registered or unregistered licenses, easements, rights-of-way, rights in the nature of easements and agreements with respect thereof which relate to the provisions of utilities or services or easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner to the Property (including, without limitation, agreements, easements, licenses, rights-of-way and interests in the nature of easements for sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires, and cables).
4. Title defects or irregularities, which are of a minor nature and in the aggregate will not materially adversely impair the use or marketability of the Real Property or that part thereof affected by the defect or irregularity for the purposes for which it is presently used.
5. The exceptions, limitations and qualifications of the *Land Titles Act* and any amendments thereto.



## LOAN AGREEMENT

**THIS AGREEMENT** is made as of the 28<sup>th</sup> day of September, 2012

**B E T W E E N:**

**2223947 ONTARIO LIMITED**, a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "**Lender**")

**AND**

**MEMORY CARE INVESTMENTS (OAKVILLE) LTD.**, a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "**Borrower**")

**WHEREAS** the Lender, on the terms and conditions hereinafter set forth, has agreed to lend to the Borrower and the Borrower has agreed to borrow from the Lender the sum of up to **Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars** of lawful money of Canada (the "**Principal Sum**") for a term of Four (4) years (the "**Term**") in connection with the development and construction by the Borrower of a dedicated Alzheimer's and dementia care facility project to be constructed on the lands and premises situated at 103 and 109 Garden Drive, Oakville, Ontario, and more particularly described in Schedule "A" attached hereto (the "**Property**").

**AND WHEREAS** the Borrower agrees to pay to the Lender interest on the Principal Sum at the Loan Rate (as hereinafter defined), calculated annually and payable quarterly during the Term along with the Additional Loan Payment as more particularly described in Schedule "D" attached hereto;

**AND WHEREAS** the Borrower has agreed to allow a Charge/Mortgage of Land in addition to the other Security Documents, on the terms set out herein, to be registered against the Property in first priority and in favour of the Lender (the "**Mortgage**"), as security for repayment of the Principal Sum with interest at the Loan Rate and the payment of the Additional Loan Payment;

**AND WHEREAS** the Borrower agrees to repay to the Lender the Principal Sum and interest at the Loan Rate and the payment of the Additional Loan Payment on or before the expiry of the Term, as specified herein;

**AND WHEREAS** the Lender and the Borrower (collectively, the "**Parties**") wish to evidence their agreement in respect of the Loan;

**AND WHEREAS** the Lender acknowledges that the Mortgage shall be granted, *inter alia*, in the form of a syndicated first Charge/Mortgage of Land as more fully described herein and shall be in form and substance satisfactory to the Lender;

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the covenants, agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

## **ARTICLE 1 RECITALS**

1.01 The Parties to this Agreement acknowledge and agree that the recitals to this Agreement are true and correct in substance and in fact are incorporated into and form an integral part of this Agreement.

## **ARTICLE 2 DEFINITIONS AND TERMS**

2.01 The following words and phrases have the following meanings when used in this Agreement:

- (a) "Acceleration Date" means the date on which an Acceleration Event occurs;
- (b) "Acceleration Event" means the earlier of: (i) the occurrence of an Insolvency Event; and (ii) the delivery by the Lender to the Borrower of a written notice that the Borrowers Liabilities or any part thereof are immediately due and payable, following the occurrence and during the continuation of an Event of Default other than an Insolvency Event;
- (c) "Additional Loan Payment" has the same meaning as set forth in Section 4.11 hereof;
- (d) "Agreement", means this Agreement entitled "Loan Agreement", and all instruments supplemental hereto or in amendment or confirmation hereof; "hereof", "hereto" and "hereunder" and similar expressions refer to this Agreement, and where relevant, to any particular article, section or paragraph hereof; "Article", "Section" and "paragraph" mean and refer to the specified article, section or paragraph of this Agreement;
- (e) "BIA" means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;
- (f) "Borrower's Books and Records" shall have the same meaning as set forth in Section 7.04 hereof.
- (g) "Borrower's Liabilities", refers collectively to the Loan, all interest from time to time accruing thereon as set forth in this Agreement, and all liabilities and indebtedness now or hereafter owing, arising, due or payable by the Borrower to the Lender whether

under this Agreement or the Security Documents and including the Additional Loan Payment;

- (h) "Borrower's Solicitors" shall mean Harris + Harris LLP, or such other solicitors that the Borrower may in writing designate;
- (i) "Business Day", refers to any day other than a Saturday, Sunday or Statutory Holiday in Toronto, Ontario;
- (j) "Closing Date" or "Closing", or similar references means the date of the initial Loan Instalment or the date, as the context requires, of any other Loan Instalments made pursuant hereto;
- (k) "Commodity Taxes" means all commodity taxes, including all sales, use, retail, goods and services, harmonized sales, value-added and similar taxes imposed, levied or assessed by any Governmental Authority;
- (l) "Default" means any event, act, omission or condition which with the giving of notice or the passage of time, or both, would result in an Event of Default;
- (m) "Distributable Cash Proceeds" means all amounts received by the Borrower arising out of the Property or the sale or operation thereof or of the sale of condominium units for the period including but not limited to the following:
  - (i) all revenues derived from the sale of condominium units or any part or all of the Property (including all premiums, upgrade costs (net of commissions) and applicable harmonized sales tax or goods and services tax rebates);
  - (ii) all gross receipts derived from all rents and fees payable by tenants, licensees and concessionaires;
  - (iii) the gross amount, if any, of any insurance proceeds received by the Borrower, including business interruption payments;
  - (iv) the net proceeds of any refinancing, if any, received by the Borrower, other than any construction loan which contains terms prohibiting the use of such loan proceeds to repay existing indebtedness (net of repayments of existing mortgage financing being refinanced); and
  - (v) the gross amount, if any, from partial or total expropriations of all or part of the Property,

but excluding: (i) Commodity Taxes which the Borrower is required by law to collect from purchasers, tenants, concessionaires or licensees and remit to an applicable taxing authority.

- (n) "Distribution" means any amount paid to or on behalf of the employees, directors, officers, shareholders, partners or unitholders of the Borrower, by way of salary, bonus, commission, management fees, directors' fees, dividends, redemption of shares, distribution of profits or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, unitholders, directors, officers, employees, owners or creditors of the Borrower or otherwise, or any other direct or indirect payment in respect of the earnings or capital of the Borrower;
- (o) "Event of Default" is defined in Section 9.01 hereof;
- (p) "Expenses", means all expenses relating to the Loan and all fees and expenses for legal services relative to the preparation, review and enforcement of this Agreement and the Security Documents, the making of Loan Instalments and the repayment of the Borrower's Liabilities and the release of the security therefore;
- (q) "Fiscal Year" means the fiscal year end of the Borrower, being December 31<sup>st</sup> in every year;
- (r) "GAAP" means generally accepted accounting principles in Canada as approved by the Canadian Institute of Chartered Accountants in effect from time to time; and for greater certainty if international financial reporting standards are adopted by the Canadian Institute of Chartered Accountants in replacement for generally accepted accounting principles, each reference to "GAAP" herein shall be deemed to refer to such international financial reporting standards;
- (s) "Governmental Authority" means any: (i) federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental, judicial or administrative body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (t) "Hazardous Materials" means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law;
- (u) "Indemnitees" means the Lender and its successors and permitted assignees, any agent of any of them (specifically including a receiver or receiver-manager) and its officers, directors, employees, beneficial owners and shareholders;
- (v) "Insolvency Event" means, in respect of any Person:
  - (i) such Person ceases to carry on its business; or commits an act of bankruptcy or becomes insolvent (as such terms are used in the BIA); or

makes an assignment for the benefit of creditors, files a petition in bankruptcy, makes a proposal or commences a proceeding under Insolvency Legislation; or petitions or applies to any tribunal for, or consents to, the appointment of any receiver, trustee or similar liquidator in respect of all or a substantial part of its property; or admits the material allegations of a petition or application filed with respect to it in any proceeding commenced in respect of it under Insolvency Legislation; or takes any corporate action for the purpose of effecting any of the foregoing; or

- (ii) any proceeding or filing is commenced against such Person seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts under any Insolvency Legislation, or seeking appointment of a receiver, trustee, custodian or other similar official for it or any of its property or assets; unless (i) such Person is diligently defending such proceeding in good faith and on reasonable grounds as determined by the Lender and (ii) such proceeding does not in the reasonable opinion of the Lender materially adversely affect the ability of such Person to carry on its business and to perform and satisfy all of its obligations hereunder;
- (w) "Insolvency Legislation" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty the BIA, the *Companies' Creditors Arrangement Act* (Canada) and the *Winding-Up and Restructuring Act* (Canada);
- (x) "Interest Reserve" means the amounts set aside or deducted as contemplated in Section 4.12 hereof to fund the obligations of the Borrower to pay interest as set forth in this Agreement on the Loan Instalments that may from time to time be made by the Lender to the Borrower.
- (y) "Laws" means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of such laws, including general principles of common and civil law and equity or policies or guidelines, to the extent such policies or guidelines have the force of law, binding on the Person referred to in the context in which such word is used; and "Law" means any of the foregoing;
- (z) "Lender's Solicitors" shall mean Nancy Elliott, Barrister & Solicitor, or such other solicitors that the Lender may in writing designate;
- (aa) "Lien" means: (i) a lien, charge, mortgage, pledge, security interest or conditional sale agreement; (ii) an assignment, lease, consignment, trust or deemed trust that secures payment or performance of an obligation; (iii) a garnishment; (iv) any other



encumbrance of any kind; and (v) any commitment or agreement to enter into or grant any of the foregoing;

- (bb) "Loan", means the aggregate amount, not to exceed Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars, of all Loan Instalments made from time to time hereunder by the Lender to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Lender;
- (cc) "Loan Instalment" has the same meaning as set forth in Sub-Section 4.08(a) hereof, with each Loan Instalment to be made in the sole and absolute discretion of the Lender;
- (dd) "Loan Rate", means the annual rate of interest applicable to any particular amount outstanding pursuant to this Agreement being Eight (8%) percent per annum;
- (ee) "Material Adverse Change" means any change or event which: (i) constitutes a material adverse change in the business, operations, condition (financial or otherwise) or properties of the Borrower taken as a whole; or (ii) could materially impair the Borrower's ability to timely and fully perform its obligations under this Agreement or the Security Documents, or materially impair the ability of the Lender to enforce its rights and remedies under this Agreement or the Security Documents;
- (ff) "Material Agreement" means, in respect of the Borrower, any agreement made between the Borrower and another Person which the Lender, in its sole and absolute discretion, determines to be material to the Borrower;
- (gg) "Maturity Date" shall have the same meaning as set forth in Section 4.04 hereof;
- (hh) "Mortgage" has the same meaning as set forth in Sub-Section 5.01(c) hereof;
- (ii) "Note" shall mean the promissory note executed by the Borrower in favour of the Lender in the sum of up to Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars which Note shall be in form and substance satisfactory to the solicitors of the Lender;
- (jj) "Outstanding Encumbrances and Liens" shall have the same meaning as set forth in Sub-Section 7.01(I) hereof;
- (kk) "Person", means a natural person, firm, trust, partnership, association, corporation, government or governmental board, agency or instrumentality;
- (ll) "Permitted Encumbrances" are those Liens described in Schedule "E" attached hereto and any construction financing subsequently acquired by the Borrower for the construction of the condominium project of the Property;
- (mm) "Requirements of Environmental Law" means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) requirements announced by a Governmental

Authority as having immediate effect (provided that at the time of making such announcement the government also states its intention of enacting legislation to confirm such requirements retroactively); (iv) all directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (v) all permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (vi) all requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation and (B) exposure to Hazardous Materials;

- (nn) "Security" means all guarantees, security agreements, mortgages, debentures and other documents mentioned comprising the Security Documents or otherwise and all other documents and agreements delivered by the Borrower or other Persons to the Lender for the benefit of the Lender from time to time as security for the payment and performance of the Borrowers Liabilities, and the security interests, assignments and Liens constituted by the foregoing;
- (oo) "Security Documents", refers collectively to this Agreement, the Mortgage, those documents and instruments referred to in Section 5.01 hereof and any and other documents, agreements or writings delivered to the Lender as contemplated in this Agreement whether as security for the Loan or otherwise. At the option of the Lender, the Security Documents may reflect a fixed rate of interest as designated by the Lender's counsel. Notwithstanding the same, the provisions with respect to the payment of interest as set out in this Agreement shall prevail;
- (pp) "Statutory Lien" means a Lien in respect of any property or assets of a Company created by or arising pursuant to any applicable legislation in favour of any Person (such as but not limited to a Governmental Authority), including a Lien for the purpose of securing the Borrower's obligation to deduct and remit employee source deductions and goods and services tax pursuant to the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada), the Canada Pension Plan (Canada), the *Employment Insurance Act* (Canada) and any federal or provincial legislation similar to or enacted in replacement of the foregoing from time to time; and,
- (qq) "Subsidiary" means a business entity which is controlled by another business entity (as used herein, "business entity" includes a corporation, company, partnership, limited partnership, trust or joint venture).

2.02 Unless otherwise provided herein, all financial terms used in this Agreement shall be determined in accordance with GAAP in effect at the date of such determination. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other computation is required to be made for the purpose of

this Agreement, such determination or calculation shall be made in accordance with GAAP applied on a consistent basis, unless otherwise indicated.

2.03 All amounts referred to in this Agreement are in Canadian Dollars unless otherwise noted.

2.04 Whenever in this Agreement reference is made to a statute or regulations made pursuant to a statute, such reference shall, unless otherwise specified, be deemed to include all amendments to such statute or regulations from time to time and all statutes or regulations which may come into effect from time to time substantially in replacement for the said statutes or regulations.

2.05 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

### **ARTICLE 3 SCHEDULES**

3.01 The following are the schedules attached to and incorporated in this Agreement by reference and deemed to be a part thereof:

Schedule "A" – Lands to be Charged/Mortgaged

Schedule "B" – Schedule of Interest Payments

Schedule "C" – Expenses

Schedule "D" – Additional Loan Payment

Schedule "E" – Permitted Encumbrances

### **ARTICLE 4 THE LOAN, INTEREST, EXPENSES, AND PAYMENT THEREOF**

4.01 Subject to the terms and conditions hereof, the Lender agrees to provide to the Borrower the Loan.

4.02 The Borrower and the Lender acknowledge and confirm that, notwithstanding any rate of interest set out in the Security Documents or any of them, the provisions of this Agreement

regarding the Loan Rate shall govern the rate of interest payable on the Loan. The Borrower and the Lender further acknowledge and confirm that the Security Documents shall be in form and substance satisfactory to the Lender.

4.03 Interest on the Loan Rate shall be determined daily and shall be due, payable and compounded quarterly, not in advance, on the 1st day of each month during such quarterly period, as well after as before demand, maturity, default and judgment, together with interest on overdue interest determined daily (if relevant) and compounded quarterly at the same rate applicable until the Borrower's Liabilities have been paid in full. Interest shall be calculated on the basis of a three hundred and sixty-five (365) day year. Interest on the Loan at the Loan Rate and calculated as aforesaid shall accrue as of the date of the first Loan Instalment. Any disputes on the determination and calculation of interest of the Interest Rate shall be resolved by the Lender, in its opinion but acting reasonably. The first payment of interest and all subsequent payments of interest as aforesaid shall be payable in the amounts and on the dates as set forth in Schedule "B" attached hereto.

4.04 The Loan, together with all accrued and outstanding interest and other charges in connection therewith as set forth in this Agreement and the Security Documents including without limiting the generality of the foregoing the Additional Loan Payment and all other Borrower's Liabilities, shall become fully due and repayable on the third anniversary of the first Loan Instalment (the "Maturity Date").

4.05 Any payment provided hereunder to be made by the Borrower to the Lender shall be in certified funds or Bank Draft and shall be payable to the Borrower's Solicitors, in trust, and delivered to the Borrower's Solicitors, or any other payee or office designated by the Lender from time to time. The Borrower's Solicitors shall coordinate further delivery of such funds with the Lender's Solicitors. Any payment as aforesaid received after two o'clock (2:00) p.m. Toronto time shall be deemed to have been received on the next following Business Day.

4.06 This Agreement shall constitute evidence of the obligation of the Borrower to repay all the Borrower's Liabilities in accordance with the terms hereof. The Borrower shall repay the Loan and the Borrower's Liabilities in full on the Maturity Date, and until then shall pay interest at the time or times and in the manner provided herein.

4.07 All Loan Instalments and Expenses as and when advanced or incurred shall be and become secured by the Security Documents and Expenses may be paid by the Lender and be deducted from Loan Instalments which would otherwise have been made to the Borrower. The Security Documents shall be in addition to any other security which the Lender may now have or subsequently acquire for the performance of the Borrower's Liabilities. The Expenses listed in Schedule "C" attached hereto are a list of Expenses (but by no means an exhaustive list of all Expenses) that shall be deducted from the Loan Instalments.

4.08 The Lender and the Borrower mutually acknowledge, confirm, represent and covenant as follows:

- (a) Any amounts advanced by the Lender, in its sole and absolute discretion, to the Borrower pursuant to this Agreement, and pursuant to an offering of secured notes being completed concurrently with the transactions contemplated in this

Agreement, shall occur in tranches (the "**Loan Instalments**") with the first Loan Instalment to be in the amount of not less than Three Million (\$3,000,000) Dollars;

- (b) the initial face value of the Mortgage will be \$3,000,000; which amount can be increased where the Borrower obtains a new valuation/appraisal for the property in form satisfactory to Olympia Trust, where upon Olympia Trust agrees to increase the maximum mortgage amount; provided in no circumstance will the maximum mortgage amount exceed \$12,800,000; and,
- (c) prior to the release of any funds by the Lender's Solicitors to the solicitor(s) for the Borrower, each Party hereby irrevocably acknowledges and directs that their respective solicitors are authorized to and shall cause to be registered any such instruments on title to the Lands which in the opinion of the solicitor for the Lender may be required as evidence of any sums advanced to the Borrower on the security of this Agreement or the Security Documents.

4.09 The Borrower may not prepay all or any portion of the Borrower's Liabilities hereunder.

4.10 Notwithstanding anything to the contrary contained in this Agreement, any Loan Instalment made by the Lender and the Borrower shall be at the Lender's sole and absolute discretion and the Lender shall not be obligated at any time or times to make any Loan Instalment to the Borrower.

4.11 In addition to the payment by the Borrower of the Loan plus interest as set forth in this Agreement, the Borrower shall also pay to the Lender, in certified funds or Bank Draft, forthwith after the determination is made by the Lender in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as described in Schedule "D" attached hereto in the same manner as contemplated in Section 4.05 hereof. Notwithstanding the foregoing, the Lender, at its option, may also deduct from the Distributable Cash Proceeds, at any time and from time to time, all or any part of the Additional Loan Payment that the Lender, in its opinion, believes is due and payable.

4.12 The parties hereto acknowledge, confirm, covenant and agree that the Lender shall be deducting from the first Loan Instalment and any subsequent Loan Instalments an amount equal to the projected interest on the amount of such Loan Instalment for 12 months which shall be a contribution of the Borrower to the Interest Reserve. The parties hereto further acknowledge, confirm, covenant and agree that the Lender may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Lender's Solicitors or received from the Borrower, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Borrower covenants and agrees that the amount in the Interest Reserve shall be applied by the Lender against the obligations of the Borrower to pay interest hereunder on the Loan Instalments and that once applied or deducted by the Lender from the Loan Instalments, the Distributable Cash Proceeds or otherwise, the Borrower shall have no claim against the funds in the Interest Reserve. The Lender agrees to provide monthly reports on the disposition, if any, of funds set aside and in the Lender's Solicitors trust account.

4.13 The Borrower, at any time after the third anniversary hereof, shall be entitled to repay all or a portion of the Loan without penalty, notice or bonus and the interest at the rate of 8% per annum on the principal outstanding ceasing at the date of prepayment; provided that the Lender shall continue to be entitled to the Additional Loan Payment for all four years of this Loan, even though the Loan shall have been prepaid prior to the four year term expiry (to also be paid at the time of prepayment) plus the prepayment fee; but shall not be entitled to any Additional Loan Payment for the fourth year of the term of this Loan nor any compensation for loss of interest after the date of such prepayment.

## **ARTICLE 5 SECURITY**

5.01 The Borrower agrees to provide the Security Documents listed below to the Lender, as continuing security for the payment and performance of all of its present and future, direct and indirect obligations to the Lender, specifically including the Loan, the Borrowers Liabilities and its direct indebtedness and obligations to the Lender arising under this Agreement:

- (a) The Note;
- (b) A mortgage in the amount of the Principal Sum ranking as a first mortgage; provided that the mortgage shall be subordinated to any construction financing obtained by the Borrower related to construction of the dedicated Alzheimer's and dementia care project on the Property (the "Mortgage");
- (c) if requested by the Lender from time to time, security agreements creating an assignment security interest in respect of its rights to and interest in Material Agreements to which it is a party, together with any necessary consents from the other parties thereto which security interest may not be a first ranking security interest;
- (d) an assignment of its interest in all policies of insurance, specifically including the right to receive any refunds of premiums paid thereunder; and
- (e) such other security and further assurances as the Lender may reasonably require from time to time.

5.02 The Security Documents shall be in form and substance satisfactory to the Lender, acting reasonably. The Lender may require that any item of Security Documents be governed by the laws of the jurisdiction where the property subject to such item of Security Documents is located. The Security Documents shall be registered by the Lender or, at the request of the Lender, by the Borrower, all at the Borrower's cost and expense, where necessary or desirable to record and perfect the charges contained therein, as determined by the Lender in its sole and absolute discretion.

5.03 The Borrower shall cause to be delivered to the Lender prior to each Loan Instalment the opinion of the solicitors for the Borrower regarding its corporate status, the due authorization,

execution and delivery of the Security Documents provided by it, all registrations in respect of the Security Documents, the results of all applicable searches in respect of them, and the enforceability of such Security Documents and any other matters requested by the Lender in its opinion; all such opinions to be in form and substance satisfactory to the Lender.

5.04 The Borrower shall execute and deliver from time to time all such further documents and assurances as may be reasonably required by the Lender from time to time in order to provide the Security Documents contemplated hereunder, specifically including supplemental or additional security agreements which shall include lists of specific assets to be subject to the security interests required hereunder.

5.05 If insurance proceeds become payable in respect of loss of or damage to any property owned by the Borrower the Lender shall apply such proceeds against the Borrower's Liabilities (allocated amongst the components of the Borrower's Liabilities, at all times, by the Lender in its sole and absolute discretion).

#### **ARTICLE 6 COVENANTS, REPRESENTATIONS AND WARRANTIES**

6.01 The Borrower represents and warrants to the Lender as follows (which shall survive the execution and delivery of this Agreement), the truth and accuracy of which are a continuing condition of the advance of the Loan Instalments and the Borrower hereby acknowledges, confirms and agrees that the Lender is relying on such representations and warranties:

- (a) The Borrower is a validly subsisting corporation under the *Business Corporations Act* (Ontario), and is duly qualified to carry on its business in the jurisdiction in which it carries on business and has the power and authority to enter into and perform its obligations under this Agreement, is the registered owner of the Property and is legally entitled to carry on its business as currently conducted or as currently contemplated.
- (b) The Borrower has obtained all material licenses, permits and approvals from all governments, governmental commissions, boards and other agencies of jurisdictions in which it carries on (or contemplates carrying on) business which are required and which will allow for the development of the Property.
- (c) The Borrower or its solicitor has delivered to the Lender, or its solicitor, copies of the constating documents of the Borrower and the Lender's solicitor has obtained a legal opinion from the Borrower's solicitor that the Borrower is authorized to enter into this Agreement and the Security Documents.
- (d) The execution, delivery and performance of this Agreement and the Security Documents has been duly authorized by all requisite action on the part of the Borrower; and this Agreement and the Security Documents have been, or will be, duly executed and delivered by the Borrower, and this Agreement and the Security Documents delivered or to be delivered pursuant hereto and thereto constitutes, or when delivered will constitute, a valid and binding obligation of the

Borrower and enforceable against the Borrower in accordance with their terms, subject to the application of bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally and the fact that the right to obtain judicial orders requiring specific performance or other equitable remedies is in the discretion of the court.

- (e) The Borrower shall and does indemnify and hold harmless the Lender and the Indemnitees from and against all losses, claims, damages, liabilities, and expenses, to which any such person or entity may become subject arising out of or in connection with this Agreement, the use of proceeds, or any related transaction or any claim, litigation, investigation or proceeding, relating to any of the foregoing, regardless of whether the Lender is a party thereto, and to reimburse the Lender, forthwith upon demand for any reasonable, legal or other expenses incurred in connection with investigating or defending any of the foregoing.
- (f) The Borrower acknowledges that neither its execution nor delivery of this Agreement or the Security Documents the consummation of the transactions herein contemplated nor compliance with the terms, conditions and provisions hereof or thereof does not and will not conflict with, and does not and will not result in any breach of or constitutes a default under any of the provisions of the constating documents or by-laws of the Borrower or any applicable Law including applicable securities laws, rules, policies and regulations or any contract or agreement upon or to which the Borrower is a party.
- (g) The Borrower has good and marketable title to the Property and its assets free from all mortgages, security interests, Liens, pledges, charges, encumbrances, title retention agreements, options or adverse claims, other than the permitted encumbrances as identified in Schedule "D" attached hereto (the "Permitted Encumbrances") and the Outstanding Encumbrances and Liens.
- (h) The Borrower has filed or caused to be filed, in a timely manner all tax returns, reports and declarations, which are required to be filed by it. All information in such tax returns, reports and declarations is complete and accurate in all material respects. The Borrower has paid or caused to be paid all taxes due and payable or claimed due and payable in any assessment received by it, except taxes the validity of which are being contested in good faith by appropriate proceedings diligently pursued and available to the said Borrower and with respect to which adequate reserves have been set aside on its books. Adequate provision has been made for the payment of all accrued and unpaid federal, provincial, local, foreign and other taxes whether or not yet due and payable and whether or not disputed.
- (i) All representations and warranties of the Borrower contained in this Agreement or in any of the Security Documents shall survive the execution and delivery of this Agreement and shall be deemed to have been made again to the Lender on the date of each Loan Instalment pursuant to this Agreement and shall be conclusively presumed to have been relied on by the Lender regardless of any investigation made or information possessed by the Lender. The representations



and warranties set forth herein shall be cumulative and in addition to any other representations or warranties which the Borrower shall now or hereafter give, or cause to be given, to the Lender.

- (j) The Borrower further acknowledges and agrees that the terms of this Agreement shall override the terms of any previous loan agreements to which the Borrower and the Lender may be or may have been Parties.
- (k) The Borrower acknowledges that the Lender may have executed a loan agreement that has been amended to accommodate the beneficial owners of the Lender and the Borrower agrees to abide by the specific terms of each of said Agreements.
- (l) The Borrower has no Subsidiaries.
- (m) no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any properties or assets of the Borrower out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of the Borrower.
- (n) The Borrower is in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and is duly licensed, registered and qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the property owned or leased by it make such qualification necessary; and all such licences, registrations and qualifications are valid and subsisting and in good standing.
- (o) The Borrower owns, possesses and has a good and marketable title to its undertaking, property and assets, free and clear of any and all Liens except for Permitted Encumbrances and the Outstanding Encumbrances and Liens. The Borrower does not have any commitment or obligation (contingent or otherwise) to grant any Liens except for the Permitted Encumbrances. No event has occurred which constitutes, or which with the giving of notice, lapse of time or both.
- (p) The Borrower have placed insurance, including property, boiler and machinery, business interruption and liability insurance, in appropriate amounts and for appropriate risks as would be considered prudent for similar business.
- (q) The Borrower and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials. The Borrower holds all material permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with (i) air emissions; (ii) discharges to surface or groundwater; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation or disposal of

Hazardous Materials; and (vi) all other Requirements of Environmental Law. There has been no material emission, spill, release, or discharge into or upon (i) the air; (ii) soils, or any improvements located thereon; (iii) surface water or groundwater; or (iv) the sewer, septic system or waste treatment, storage or disposal system servicing the premises, of any Hazardous Materials at or from the Property, and there has been no complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person with respect to (i) air emissions; (ii) spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing the Property; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation, or disposal of Hazardous Materials; or (vi) other Requirements of Environmental Law affecting the Property. There are no legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the Properties, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion with any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims. The Borrower has no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials (including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal).

- (r) Save and except for the and the Outstanding Encumbrances and Liens, there are no actions, suits or proceedings now pending, or to the Borrower's knowledge, threatened, against the Borrower in any court or before or by any federal, provincial, municipal or other Governmental Authority.
- (s) No guarantees have been granted by the Borrower.
- (t) The Borrower has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax, employment insurance and Canada Pension Plan contributions), goods and services and Harmonized Sales tax and all other amounts which if not paid when due could result in the creation of a Statutory Lien against any of the Borrower's property including the Property, except for Permitted Encumbrances.
- (u) Save and except for and the Outstanding Encumbrances and Lien, no Default, Event of Default or Material Adverse Change has occurred and is continuing.
- (v) All financial and other information furnished by or in respect of the Borrower to the Lender for the purposes of or in connection with this Agreement or the Security Documents are true and accurate in all material respects and is not

incomplete by omitting to state any fact necessary to make such information not misleading. There are no facts known to the Borrower which could materially adversely affect the Borrower's ability to observe and perform their obligations under the Security Documents, or which if known to the Lender could reasonably be expected to deter the Lender from making any Loan Instalments hereunder on the terms and conditions contained herein.

## ARTICLE 7 COVENANTS

7.01 The Borrower hereby covenants and agrees with the Lender that it will:

- (a) pay all principal, interest and other amounts due hereunder including the Borrowers Liabilities at the times and in the manner specified herein;
- (b) maintain its corporate existence in good standing, continue to carry on its business, preserve its rights, powers, licences, privileges, franchises and goodwill, exercise any rights of renewal or extensions of any leases, licences, concessions, franchises or any other rights whatsoever which are material to the conduct of its business, maintain all qualifications to carry on business in each jurisdiction in which such qualifications are required, and carry on and conduct its business in a proper and efficient manner so as to protect its property and income; and not materially change the nature of its business;
- (c) comply in all material respects with all applicable Laws (specifically including, for greater certainty, all applicable Requirements of Environmental Law), use the proceeds of all Loan Instalments hereunder for legal and proper purposes in connection with the purposes set out in the first recital of this Agreement, and obtain and maintain in good standing all material leases, licences, permits and approvals from any and all Governmental Authorities required in respect of its business and operations;
- (d) pay when due all rents, taxes, rates, levies, assessments and governmental charges, fees and dues lawfully levied, assessed or imposed in respect of its property which are material to the conduct of its business, and deliver to the Lender upon request receipts evidencing such payments;
- (e) maintain adequate books, accounts and records in accordance with GAAP;
- (f) keep the Property and its assets in good repair and working condition;
- (g) permit the Lender and its employees, representatives and agents (during normal business hours and in a manner which does not materially interfere with its business) to enter upon and inspect the Property and its properties, assets, books and records from time to time and make copies of and abstracts from such books and records, and discuss its affairs, finances and accounts with its officers, directors, accountants and auditors; such access shall be on 48 hours' prior notice unless a Default has occurred and is continuing in which event no notice shall be required;

- (h) obtain from financially responsible insurance company and maintain liability insurance, all-risks property insurance on a replacement cost basis (less a reasonable deductible not to exceed amounts customary in the industry for similar businesses and properties), business interruption insurance and insurance in respect of such other risks as the Lender may reasonably require from time to time; all of which policies of insurance shall be in such amounts as may be reasonably required by the Lender and shall include a standard mortgage clause approved by the Insurance Bureau of Canada; and the Lender's interest shall be noted as an additional insured on all liability insurance policies and as second mortgagee and loss payee on all other insurance policies; and the Lender shall be provided with certificates of insurance and certified copies of such policies from time to time upon request;
- (i) fulfil all covenants and obligations required to be performed by it under this Agreement and the Security Documents to which it is a party and any other agreement or undertaking now or hereafter made between it and the Lender;
- (j) provide prompt notice to the Lender of: (i) the occurrence of any Default or Event of Default; (ii) the incorrectness of any representation or warranty contained herein or any Security Documents in any material respect; (iii) any material contravention of or non-compliance by any Borrower with any terms and conditions of this Agreement or any Security Document; (iv) any Material Adverse Change; (v) any litigation affecting the Borrower; (vi) any material labour dispute affecting the Borrower; or (vii) any notice in respect of the termination or suspension of, or a material default under, any Material Contract;
- (k) provide the Lender with such further information, financial data, documentation and other assurances as the Lender may reasonably require from time to time in order to ensure ongoing compliance with the terms of this Agreement and the Security Documents and to achieve the spirit and intent of this Agreement;
- (l) The Borrower hereby covenants and agrees with the Lender that the first Loan Instalment will be used to purchase the Property free and clear of any encumbrances and liens. The Borrower acknowledges that no funds will be disbursed directly to the Borrower until the Property has been acquired, free and clear of liens and encumbrances.

7.02 The Borrower hereby covenants and agrees with the Lender that it will not without the prior written consent of the Lender (which consent may be withheld in the sole and absolute discretion of the Lender):

- (a) grant or suffer to exist any Liens in respect of any of its property and assets including the Property, except the Permitted Encumbrances;
- (b) directly or indirectly sell or otherwise dispose of any of its assets save and except in the ordinary course of its business or further save and except to sales of dwelling units to bona fide arm's length third party purchasers of Lots;
- (c) make any Distributions;

- (d) not materially change the nature of its business, maintain a place of business or any material assets in any jurisdiction other than the Province of Ontario, or enter into any transaction whereby all or a substantial portion of its undertaking, property and assets would become the property of any other Person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, in each case without the prior written consent of the Lender in its sole and absolute discretion;
- (e) change its Fiscal Year (which for greater certainty presently ends on the last day of December in each year);
- (f) change its Accountants except with the prior written consent of the Lender which consent shall not be unreasonably withheld; and,
- (g) use the proceeds of any Loan Instalment for any purposes other than the development and construction of residential townhouses on the Property.

7.03 The Borrower shall deliver by courier delivery to the Lender the following financial and other information at the times indicated below:

- (a) the annual Year-end Financial Statements of the Borrower, by the 120th day after the end of the Fiscal Year accompanied by a Compliance Certificate certified by the Chief Financial Officer of the Borrower or other senior officer of the Borrower acceptable to the Lender;
- (b) within the first 120 days after the start of each Fiscal Year, a business plan for the Borrower in respect of such Fiscal Year, which shall disclose all material assumptions utilized and shall include the following items set out on a quarterly basis: balance sheet, income statement, cashflow statement, Capital Expenditures and tax liabilities; and
- (c) such additional information and documents as the Lender may reasonably require from time to time.

7.04 Full, true and accurate accounting and financial information shall be kept by the Borrower in accordance with GAAP as of the date hereof until at least after eighteen (18) months after the Borrower's Liabilities have been repaid. The Lender or anyone designated by the Lender shall have access to the books, records, financial information, financial statements and data of the Borrower (the "Borrower's Books and Records") at any and all times during regular business hours for the purpose of examining and reviewing the Borrower's Books and Records. The Lender shall not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of the Lender's business.

7.05 The Lender hereby covenants with the Borrower, that the Lender shall execute any necessary documents and register such documents as may be reasonably requested by any construction financier to subordinate the Lender's Mortgage security to any mortgage or other security granted by the construction financier to the Borrower, for the purposes of funding the

Borrower's construction of the project on the Property; and the Lender appoints the Borrower as the Lender's power of attorney to execute any required documents on behalf of the Lender to evidence the foregoing.

## ARTICLE 8 CONDITIONS PRECEDENT

8.01 The Lender shall have no obligation to make the first Loan Instalment hereunder or any Loan Instalments thereafter on the Closing Date unless at the time of making such Loan Instalment the following terms and conditions (which are condition precedents in favour of the Lender) shall have been satisfied in the opinion of the Lender:

- (a) the Lender shall have completed and shall be satisfied with its due diligence in respect of the Property;
- (b) all representations and warranties made by the Vendor contained in this Agreement or the Security Documents shall be true, correct and complete in all material respects;
- (c) all Security Documents required to be provided at the time of the first Loan Instalment shall have been executed and delivered, all registrations necessary or desirable in connection therewith shall have been made, and all legal opinions and other documentation required by the Lender in connection therewith shall have been executed and delivered, all in form and substance satisfactory to the Lender in its sole and absolute discretion;
- (d) the Lender shall have received satisfactory evidence that there are no Liens affecting the Borrower or its assets, except for Permitted Encumbrances and the Outstanding Encumbrances and Liens which shall be paid in full and deducted from the First Loan Instalment on the Closing Date;
- (e) the Lender shall have received particulars of all Permitted Encumbrances, specifically including the assets encumbered thereby, the amounts due thereunder, and confirmation from the holders thereof that the terms thereof are being complied with;
- (f) the property and assets of the Borrower shall be insured on the Closing Date; the terms and conditions of such insurance to be in compliance with the requirements of this Agreement in the opinion of the Lender;
- (g) the Lender shall have received an officer's certificate and certified copies of resolutions of the board of directors of the Borrower concerning the due authorization, execution and delivery of the Security Documents to which it is a party, and such related matters as the Lender may reasonably require;
- (h) the Lender shall have received from the Borrower a certificate of status as of the Closing Date or the date of any Loan Instalment, as the case may be, certificate of compliance or similar certificate for the Borrower issued by its governing jurisdiction and each other jurisdiction in which it carries on business or holds any material assets;

- (i) the Lender shall have received such additional evidence, documents or undertakings as it may reasonably require to complete the transactions contemplated hereby in accordance with the terms and conditions contained herein;
- (j) All Realty Taxes related to the Property are up-to-date as of the Closing Date; and
- (k) All mortgages, charges, Liens and encumbrances have been discharged, on the Closing Date and prior to any Loan Instalment being made.

8.02 The Borrower hereby acknowledges, confirms, covenants and agrees that the Lender is syndicating the Loan and therefore, the Lender shall have no obligation to make the first Loan Instalment hereunder on the Closing Date or any Loan Instalment thereafter unless at the time of making such Loan Instalment the syndication of the Loan has been completed in the opinion of the Lender.

## **ARTICLE 9 DEFAULT AND REMEDIES**

9.01 The occurrence of any one or more of the following events, after the expiry of any applicable cure period set out below, shall constitute an event of default under this Agreement (an "Event of Default"):

- (a) the Borrower fails to pay any principal, interest, Expenses or any other amount payable hereunder when due under the terms of this Agreement or any of the Security Documents;
- (b) any representation, warranty or statement made to the Borrower herein or in any Security Documents is incorrect in any material respect on the date on which such representation, warranty or statement was made or deemed to have been made, or subsequently becomes incorrect in any material respect; provided that if such representation, warranty or statement is capable of being corrected within twenty (20) days, the Borrower diligently attempts to take all such action as may be necessary in order that such representation, warranty or statement will become correct and diligently keep the Lender informed of its efforts in this regard, and such representation, warranty or statement is correct by not later than the expiry of such twenty (20) day period on the opinion of the Lender, then the incorrectness of such representation, warranty or statement shall not constitute an Event of Default;
- (c) the Borrower fails to perform or comply with any of the covenants or obligations set out in this Agreement;
- (d) the Borrower fails to perform or comply with any of its covenants or obligations contained in any of the Security Documents, in each case, following receipt of notice of such non-compliance from the Lender; provided that if such non-compliance is capable of remedy within twenty (20) days, the Borrower diligently attempts to remedy such non-compliance and diligently keeps the Lender informed of its efforts in this regard, and such non-compliance is remedied within such twenty (20) day

period in the opinion of the Lender, then such non-compliance shall not constitute an Event of Default;

- (e) an Insolvency Event occurs in respect of the Borrower;
- (f) any document constituting part of the Security Documents shall for any reason cease to be in full force and effect or shall be declared in a final judgment of a court of competent jurisdiction to be null and void; or the Borrower contests the validity or enforceability thereof or denies it has any further liability or obligation thereunder; or any document constituting part of the Security Documents shall for any reason fail to create a valid and perfected First-Ranking Security Interest subject to Permitted Encumbrances in the opinion of the Lender, in and to the property purported to be subject thereto, except that if such failure is capable of remedy within thirty (30) days, the Borrower diligently attempts to remedy such failure and diligently informs the Lender of its efforts in this regard, and the failure is remedied within such thirty (30) day period in the opinion of the Lender, then the failure shall not constitute an Event of Default;
- (g) any Person takes possession, or threatens to take possession, of any property of the Borrower including the Property by way of or in contemplation of enforcement of any security it may hold, or a distress or execution or similar process is levied or enforced against any such property; and,
- (h) any Governmental Authority shall take any action or proceeding to condemn, seize or appropriate any property of the Borrower that is material to its financial condition, business or operations.

9.02 Upon the occurrence of an Insolvency Event, the Borrower's Liabilities shall become immediately due and payable, without the necessity of any demand upon or notice to the Borrower by the Lender. Upon the occurrence and during the continuation of any Event of Default other than an Insolvency Event, the Lender may by written notice to the Borrower declare the Borrower's Liabilities to be immediately due and payable. Upon the occurrence and during the continuation of an Event of Default, both before and after the Acceleration Date, all outstanding Loan Instalments shall bear interest at the Loan Rate plus two percent (2%) per annum in order to compensate the Lender for the additional risk.

9.03 Upon the occurrence and during the continuation of an Event of Default, the Lender may apply any proceeds of realization from any Security or related to this Agreement or the Security Documents, against any portion or portions of the Borrower's Liabilities, and the Borrower may not require any different application. The taking of a judgment or any other action or dealing whatsoever by the Lender in respect of the Security Documents shall not operate as a merger of any of the Borrower's Liabilities hereunder or in any way affect or prejudice the rights, remedies and powers which the Lender may have, and the foreclosure, surrender, cancellation or any other dealing with any Security Documents or the said obligations shall not release or affect the liability of the Borrower or any other Person in respect of the remaining portion of the Borrower's Liabilities.



9.04 The Lender shall not be obliged to make any further Loan Instalments from and after the earliest to occur of the following: (i) delivery by the Lender to the Borrower of a written notice that a Default or an Event of Default has occurred and is continuing (whether or not such notice also requires immediate repayment of the Borrower's Liabilities); (ii) the occurrence of an Insolvency Event; and (iii) receipt by the Borrower of any garnishment notice or other notice of similar effect in respect of the Borrower pursuant to the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada) or any similar notice under any other statute.

9.05 All of the rights and remedies granted to the Lender in this Agreement and the Security Documents, and any other rights and remedies available to the Lender at law or in equity, shall be cumulative. The exercise or failure to exercise any of the said remedies shall not constitute a waiver or release thereof or of any other right or remedy, and shall be non-exclusive.

9.06 If the Borrower fails to perform any covenant or obligation to be performed by it pursuant to this Agreement or the Security Documents, the Lender may in its sole and absolute discretion, after written notice to the Borrower, perform any of the said obligations but shall be under no obligation to do so; and any amounts expended or advanced by the Lender for such purpose shall be payable by the Borrower upon demand together with interest at the Interest Rate.

9.07 If the Borrower intends to take the benefit of any Insolvency Legislation, including making an assignment for the general benefit of creditors, making a proposal or filing a notice of intention to make a proposal under Insolvency Legislation, the Borrower covenants and agrees to provide the Lender with five (5) Business Days' prior written notice before any of the aforementioned proceedings are commenced. As soon as possible prior to the commencement of any such proceedings, the Borrower shall provide to the Lender copies of all relevant filing materials, including copies of draft court orders, plans of compromise, proposals and notices of intention. During this notice period the Lender may, in its sole discretion, elect to exercise any and all rights and remedies which may be available to it at that time as set out in this Agreement.

## ARTICLE 10 GENERAL CONTRACT TERMS

10.01 The failure or delay by the Lender in exercising any right or privilege with respect to the non-compliance with any provisions of this Agreement by the Borrower and any course of action on the part of the Lender, shall not operate as a waiver of any rights of the Lender unless made in writing by the Lender. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given and shall not constitute a waiver of any other rights and remedies of the Lender with respect to any other or future non-compliance.

10.02 In addition to any other liability of the Borrower hereunder, the Borrower hereby agrees to indemnify and save harmless the Indemnitees from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including reasonable legal fees on a solicitor and his own client basis) of any kind or nature whatsoever (but excluding any consequential damages and damages for loss of profit) which may be imposed on, incurred by or asserted against the Indemnitees (except to the extent arising from the negligence or wilful misconduct of such Indemnitees) which relate or arise out of or result from:

- (a) any failure by the Borrower to pay and satisfy its obligations hereunder and the Security Documents including the Borrower's Liabilities; and,
- (b) any investigation by Governmental Authorities or any litigation or other similar proceeding related to any use made or proposed to be made by the Borrower of the proceeds of any Loan Instalment
- (c) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the failure of the Borrower to comply with all Requirements of Environmental Law;
- (d) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the presence of any Hazardous Material situated in, on or under any property owned by the Borrower including the Property or upon which it carries on business; and
- (e) any and all liabilities, losses, damages, penalties, expenses (including reasonable legal fees) and claims which may be paid, incurred or asserted against the Indemnitees for, in connection with, or as a direct or indirect result of, any legal or administrative proceedings with respect to the presence of any Hazardous Material on or under any property owned by the Borrower including the Property or upon which it carries on business, or the discharge, emission, spill, radiation or disposal by the Borrower of any Hazardous Material into or upon the Property, the atmosphere, or any watercourse or body of water; including the costs of defending and/or counterclaiming or claiming against third parties in respect of any action or matter and any cost, liability or damage arising out of a settlement entered into by the Indemnitees of any such action or matter;

10.03 The termination of this Agreement shall not relieve the Borrower from its obligations to the Lender arising prior to such termination, such as but not limited to obligations arising as a result of or in connection with any breach of this Agreement or the Security Documents, any failure to comply with this Agreement or the Security Documents or the inaccuracy of any representations and warranties made or deemed to have been made prior to such termination, and obligations arising pursuant to all indemnity obligations contained herein.

10.04 If the Borrower fails to pay when due any Expenses or other amounts paid by the Lender hereunder (other than principal or interest on any Loan Instalment), the Borrower agrees to pay interest on such unpaid amount from the time such amount is due until paid at the Loan Rate.

10.05 Without prejudice to any other method of giving notice, all communications provided for or permitted hereunder shall be in writing and delivered to the addressee by prepaid private courier or sent by telecopy to the applicable address and to the attention of the officer of the addressee as follows:

(i) to the Borrower:

Memory Care Investments (Oakville) Ltd.  
c/o Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: John Davies

with a copy to:

Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: Mr. Gregory H. Harris  
Fax Number: 905-629-4350

(ii) if the Lender:

c/o Tier 1 Transaction Advisory Services Inc.  
3655 Kingston Road  
Toronto, ON M1M 1S2

Attention: Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: (416) 628-5597

Any communication transmitted by prepaid private courier shall be deemed to have been validly and effectively given or delivered on the Business Day after which it is submitted for delivery. Any communication transmitted by telecopy shall be deemed to have been validly and effectively given or delivered on the day on which it is transmitted, if transmitted on a Business Day on or before 5:00 p.m. (local time of the intended recipient), and otherwise on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner.

10.06 Any provision of this Agreement which is illegal, prohibited or unenforceable in any jurisdiction, in whole or in part, shall not invalidate the remaining provisions hereof; and any such illegality, prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.07 The Borrower shall from time to time at its own expense promptly execute and deliver or cause to be executed and delivered to the Lender all such other and further documents, agreements, opinions, certificates and instruments which may be requested by the Lender if necessary or desirable to more fully record or evidence the obligations intended to be entered into herein, or to make any recording, file any notice or obtain any consent.

10.08 Time shall be of the essence of this Agreement.

10.09 The Borrower may not assign any of its rights or obligations under this Agreement without the prior written consent of the Lender. The Lender may grant participations in all or any portion of its rights under this Agreement from time to time without notice to or obtaining the prior written consent of the Borrower. The Borrower agrees to co-operate fully with the Lender in connection with any assignment or participation pursuant to this section, and agrees to execute and deliver from time to time in favour of the Lender and any such assignee or participant such documents and assurances as may be reasonably required by the Lender or the assignee or participant in connection with such assignment or participation.

10.10 This Agreement and any other documents or instruments contemplated herein or therein shall constitute the entire agreement and understanding between the Borrower and the Lender relating to the subject-matter hereof. For greater certainty and without limiting the generality of the foregoing, this Agreement supersedes all discussion papers previously issued by the Lender relating to the proposed establishment of the Loan, which have no force or effect.

10.11 To the extent that there is any inconsistency between a provision of this Agreement and a provision of any document constituting part of the Security including the Security Documents, the provision of this Agreement shall govern. For greater certainty, a provision of this Agreement and a provision of any Security Document shall be considered to be inconsistent if both relate to the same subject-matter and the provision in the Security Document imposes more onerous obligations or restrictions than the corresponding provision in this Agreement (excluding fees and Expenses).

10.12 This Agreement shall be interpreted in accordance with the laws of the Province of Ontario. Without prejudice to the right of the Lender to commence any proceedings with respect to this Agreement in any other proper jurisdiction, the parties hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Ontario.

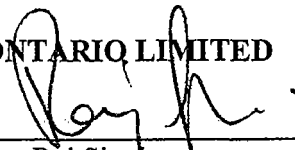
10.13 This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement. This Agreement may be executed by facsimile, and any signature contained hereon by facsimile shall be deemed to be equivalent to an original signature for all purposes.

10.14 This Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of any party with any other corporation.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date written on the first page hereof.

**2223947 ONTARIO LIMITED**

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

  
Name: Raj Singh

Title: President

*I have authority to bind the corporation*

**MEMORY CARE INVESTMENTS  
(OAKVILLE) LTD.**

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

  
John Davies

*I have authority to bind the corporation*

**SCHEDULE "A"**  
**THE LANDS**

**109 Garden Drive, Oakville, Ontario**

Firstly:

PIN: 24821-0111 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
AS IN 333503 EXCEPT THE EASEMENT THEREIN; S/T TW22975  
OAKVILLE/TRAFALGAR;

Secondly:

PIN: 24821-0112 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
PART 2 & 3, 20R6837; S/T TW22975, TW23033 OAKVILLE/TRAFALGAR;

**103 Garden Drive, Oakville, Ontario**

PIN: 24821-0112 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
PART 2 & 3, 20R6837; S/T TW22975, TW23033  
OAKVILLE/TRAFALGAR

**SCHEDULE "B"**  
**SCHEDULE OF INTEREST PAYMENTS**

Interest payments shall be calculated at an annual interest rate of EIGHT PERCENT (8%), paid quarterly in trust to the Borrower's Solicitor, commencing on or about January 1, 2013. All funds advanced after September 30, 2012 will receive an initial payment pro rated up to and including December 31, 2012 and full payments quarterly until the maturity date, anticipated to be on or about September 30, 2016.

**SCHEDULE "C"**  
**EXPENSES**

The Expenses include the following:

- a) Mortgage Brokerage Fee of \$128,000 payable to First Commonwealth Mortgage Corporation; (based on a maximum mortgage advance of \$12,800,000). The fee payable to the Mortgage Broker is 1% of the mortgage amount advanced.
- b) Referral and Related Fees of \$1,920,000 payable on account of fees and commission incurred in relation to the Loan which shall be paid as the Mortgage Broker may in writing direct (based on a maximum mortgage advance of \$12,800,000 where the actual mortgage advance is less than \$12,800,000, the referral and related fees will be proportionately reduced); and,
- c) Legal Fees. Legal Fees of \$20,000.00 plus HST plus Disbursements (which shall include Title Insurance and other Expenses) shall be payable to the Lender's Solicitors which shall be deducted from the first Loan Instalment. In the event that there is more than one (1) Loan Instalments, then additional legal fees of \$3,000 plus HST plus Disbursements shall be paid to the Lender's Solicitors on each additional Loan Instalment. The fees, taxes and disbursements of the Borrower's Solicitors shall be paid in addition to the fees, taxes and disbursements of the Lender's Solicitors. It is estimated the fees of the Borrower's Solicitors shall be \$25,000 in the first Loan Instalment and \$15,000 for each Loan Instalment thereafter.



**SCHEDULE "D"**  
**ADDITIONAL LOAN PAYMENT**

The Additional Loan Payment shall be an amount equal to four (4%) per cent per annum of the face value of the Mortgage and shall be payable for such time as the Loan remains outstanding, as determined by the Lender (the "Additional Loan Payment"). The Additional Loan Payment shall be payable by the Borrower from the Distributable Cash Proceeds or from the proceeds being held by the Lender's Solicitor, in trust, as contemplated in Sub-Section 7.01(n) of this Agreement. The payment of the Additional Loan Payment may be paid at any time and from time to time to the Lender after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement. If the face amount of the Mortgage is less than \$12,800,000, the Additional Loan Payment shall be reduced accordingly. The Additional Loan Payment will be paid after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement as determined by the Lender, acting reasonably.

For the sake of clarity, if the face amount of the Mortgage is \$12,800,000 and the Borrower's Liabilities have not been paid until the fourth anniversary of the first Loan Instalment, then the amount of the Additional Loan Payment payable by the Borrower to the Lender shall be \$2,048,000, or 4% per annum for each year the Mortgage is outstanding; which interest amount shall not be compounded from time to time. Notwithstanding the foregoing, the calculation of the Additional Loan Payment and the timing of the payments thereof shall be determined by the Lender, acting reasonably.

The Lender shall provide to the Borrower reasonable notice of any payments made on account of the Additional Loan Payment. If the Borrower exercises its right to prepay all or a portion of the Loan, then the 4% per annum Additional Loan Payment for the fourth year of the term of this Loan shall continue to be payable, in full, notwithstanding any prepayment, from Distributable Cash Proceeds.

**SCHEDULE "E"**  
**PERMITTED ENCUMBRANCES**

1. Liens for municipal property taxes, local improvement assessments or taxes, or other taxes, assessments or recoveries relating to the Property which are not at the time due;
2. The reservations, limitations, exceptions, provisos and conditions, if any expressed in any original grants from the Crown including, without limitation, the reservations of any mines and minerals in the Crown or in any other person.
3. Any registered or unregistered licenses, easements, rights-of-way, rights in the nature of easements and agreements with respect thereof which relate to the provisions of utilities or services or easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner to the Property (including, without limitation, agreements, easements, licenses, rights-of-way and interests in the nature of easements for sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires, and cables).
4. Title defects or irregularities, which are of a minor nature and in the aggregate will not materially adversely impair the use or marketability of the Real Property or that part thereof affected by the defect or irregularity for the purposes for which it is presently used.
5. The exceptions, limitations and qualifications of the Land Titles Act and any amendments thereto.



## LOAN AGREEMENT

THIS AGREEMENT is made as of the 1<sup>st</sup> day of May, 2013

B E T W E E N:

**2223947 ONTARIO LIMITED**, a corporation incorporated under  
the laws of the Province of Ontario

(hereinafter referred to as the "Lender")

AND

**1703858 ONTARIO LTD.**, a corporation incorporated under the  
laws of the Province of Ontario

(hereinafter referred to as the "Borrower")

WHEREAS the Lender, on the terms and conditions hereinafter set forth, has agreed to lend to the Borrower and the Borrower has agreed to borrow from the Lender the sum of up to **Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars** of lawful money of Canada (the "**Principal Sum**") for a term of Four (4) years (the "**Term**") in connection with the development and construction by the Borrower of a dedicated Alzheimer's and dementia care facility project to be constructed on the lands and premises situated at 2170 Ghent Road, Burlington, Ontario, and more particularly described in Schedule "A" attached hereto (the "**Property**").

AND WHEREAS the Borrower agrees to pay to the Lender interest on the Principal Sum at the Loan Rate (as hereinafter defined), calculated annually and payable quarterly during the Term along with the Additional Loan Payment as more particularly described in Schedule "D" attached hereto;

AND WHEREAS the Borrower has agreed to allow a Charge/Mortgage of Land in addition to the other Security Documents, on the terms set out herein, to be registered against the Property in first priority and in favour of the Lender (the "**Mortgage**"), as security for repayment of the Principal Sum with interest at the Loan Rate and the payment of the Additional Loan Payment;

AND WHEREAS the Borrower agrees to repay to the Lender the Principal Sum and interest at the Loan Rate and the payment of the Additional Loan Payment on or before the expiry of the Term, as specified herein;

AND WHEREAS the Lender and the Borrower (collectively, the "**Parties**") wish to evidence their agreement in respect of the Loan;

**AND WHEREAS** the Lender acknowledges that the Mortgage shall be granted, *inter alia*, in the form of a syndicated first Charge/Mortgage of Land as more fully described herein and shall be in form and substance satisfactory to the Lender;

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the covenants, agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

## **ARTICLE 1 RECITALS**

1.01 The Parties to this Agreement acknowledge and agree that the recitals to this Agreement are true and correct in substance and in fact are incorporated into and form an integral part of this Agreement.

## **ARTICLE 2 DEFINITIONS AND TERMS**

2.01 The following words and phrases have the following meanings when used in this Agreement:

- (a) "Acceleration Date" means the date on which an Acceleration Event occurs;
- (b) "Acceleration Event" means the earlier of: (i) the occurrence of an Insolvency Event; and (ii) the delivery by the Lender to the Borrower of a written notice that the Borrowers Liabilities or any part thereof are immediately due and payable, following the occurrence and during the continuation of an Event of Default other than an Insolvency Event;
- (c) "Additional Loan Payment" has the same meaning as set forth in Section 4.11 hereof;
- (d) "Agreement", means this Agreement entitled "Loan Agreement", and all instruments supplemental hereto or in amendment or confirmation hereof; "hereof", "hereto" and "hereunder" and similar expressions refer to this Agreement, and where relevant, to any particular article, section or paragraph hereof; "Article", "Section" and "paragraph" mean and refer to the specified article, section or paragraph of this Agreement;
- (e) "BIA" means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;
- (f) "Borrower's Books and Records" shall have the same meaning as set forth in Section 7.04 hereof.
- (g) "Borrower's Liabilities", refers collectively to the Loan, all interest from time to time accruing thereon as set forth in this Agreement, and all liabilities and indebtedness now or hereafter owing, arising, due or payable by the Borrower to the Lender whether

under this Agreement or the Security Documents and including the Additional Loan Payment;

- (h) "Borrower's Solicitors" shall mean Harris + Harris LLP, or such other solicitors that the Borrower may in writing designate;
- (i) "Business Day", refers to any day other than a Saturday, Sunday or Statutory Holiday in Toronto, Ontario;
- (j) "Closing Date" or "Closing", or similar references means the date of the initial Loan Instalment or the date, as the context requires, of any other Loan Instalments made pursuant hereto;
- (k) "Commodity Taxes" means all commodity taxes, including all sales, use, retail, goods and services, harmonized sales, value-added and similar taxes imposed, levied or assessed by any Governmental Authority;
- (l) "Default" means any event, act, omission or condition which with the giving of notice or the passage of time, or both, would result in an Event of Default;
- (m) "Distributable Cash Proceeds" means all amounts received by the Borrower arising out of the Property or the sale or operation thereof or of the sale of condominium units for the period including but not limited to the following:
  - (i) all revenues derived from the sale of condominium units or any part or all of the Property (including all premiums, upgrade costs (net of commissions) and applicable harmonized sales tax or goods and services tax rebates);
  - (ii) all gross receipts derived from all rents and fees payable by tenants, licensees and concessionaires;
  - (iii) the gross amount, if any, of any insurance proceeds received by the Borrower, including business interruption payments;
  - (iv) the net proceeds of any refinancing, if any, received by the Borrower, other than any construction loan which contains terms prohibiting the use of such loan proceeds to repay existing indebtedness (net of repayments of existing mortgage financing being refinanced); and
  - (v) the gross amount, if any, from partial or total expropriations of all or part of the Property,

but excluding: (i) Commodity Taxes which the Borrower is required by law to collect from purchasers, tenants, concessionaires or licensees and remit to an applicable taxing authority.

- (n) "Distribution" means any amount paid to or on behalf of the employees, directors, officers, shareholders, partners or unitholders of the Borrower, by way of salary, bonus, commission, management fees, directors' fees, dividends, redemption of shares, distribution of profits or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, unitholders, directors, officers, employees, owners or creditors of the Borrower or otherwise, or any other direct or indirect payment in respect of the earnings or capital of the Borrower;
- (o) "Event of Default" is defined in Section 9.01 hereof;
- (p) "Expenses", means all expenses relating to the Loan and all fees and expenses for legal services relative to the preparation, review and enforcement of this Agreement and the Security Documents, the making of Loan Instalments and the repayment of the Borrower's Liabilities and the release of the security therefore;
- (q) "Fiscal Year" means the fiscal year end of the Borrower, being December 31<sup>st</sup> in every year;
- (r) "GAAP" means generally accepted accounting principles in Canada as approved by the Canadian Institute of Chartered Accountants in effect from time to time; and for greater certainty if international financial reporting standards are adopted by the Canadian Institute of Chartered Accountants in replacement for generally accepted accounting principles, each reference to "GAAP" herein shall be deemed to refer to such international financial reporting standards;
- (s) "Governmental Authority" means any: (i) federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental, judicial or administrative body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (t) "Hazardous Materials" means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law;
- (u) "Indemnitees" means the Lender and its successors and permitted assignees, any agent of any of them (specifically including a receiver or receiver-manager) and its officers, directors, employees, beneficial owners and shareholders;
- (v) "Insolvency Event" means, in respect of any Person:
  - (i) such Person ceases to carry on its business; or commits an act of bankruptcy or becomes insolvent (as such terms are used in the BIA); or

makes an assignment for the benefit of creditors, files a petition in bankruptcy, makes a proposal or commences a proceeding under Insolvency Legislation; or petitions or applies to any tribunal for, or consents to, the appointment of any receiver, trustee or similar liquidator in respect of all or a substantial part of its property; or admits the material allegations of a petition or application filed with respect to it in any proceeding commenced in respect of it under Insolvency Legislation; or takes any corporate action for the purpose of effecting any of the foregoing; or

- (ii) any proceeding or filing is commenced against such Person seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts under any Insolvency Legislation, or seeking appointment of a receiver, trustee, custodian or other similar official for it or any of its property or assets; unless (i) such Person is diligently defending such proceeding in good faith and on reasonable grounds as determined by the Lender and (ii) such proceeding does not in the reasonable opinion of the Lender materially adversely affect the ability of such Person to carry on its business and to perform and satisfy all of its obligations hereunder;
- (w) "Insolvency Legislation" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty the BIA, the *Companies' Creditors Arrangement Act* (Canada) and the *Winding-Up and Restructuring Act* (Canada);
- (x) "Interest Reserve" means the amounts set aside or deducted as contemplated in Section 4.12 hereof to fund the obligations of the Borrower to pay interest as set forth in this Agreement on the Loan Instalments that may from time to time be made by the Lender to the Borrower.
- (y) "Laws" means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of such laws, including general principles of common and civil law and equity or policies or guidelines, to the extent such policies or guidelines have the force of law, binding on the Person referred to in the context in which such word is used; and "Law" means any of the foregoing;
- (z) "Lender's Solicitors" shall mean Nancy Elliott, Barrister & Solicitor, or such other solicitors that the Lender may in writing designate;
- (aa) "Lien" means: (i) a lien, charge, mortgage, pledge, security interest or conditional sale agreement; (ii) an assignment, lease, consignment, trust or deemed trust that secures payment or performance of an obligation; (iii) a garnishment; (iv) any other



encumbrance of any kind; and (v) any commitment or agreement to enter into or grant any of the foregoing;

- (bb) "Loan", means the aggregate amount, not to exceed Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars, of all Loan Instalments made from time to time hereunder by the Lender to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Lender;
- (cc) "Loan Instalment" has the same meaning as set forth in Sub-Section 4.08(a) hereof, with each Loan Instalment to be made in the sole and absolute discretion of the Lender;
- (dd) "Loan Rate", means the annual rate of interest applicable to any particular amount outstanding pursuant to this Agreement being Eight (8%) percent per annum;
- (ee) "Material Adverse Change" means any change or event which: (i) constitutes a material adverse change in the business, operations, condition (financial or otherwise) or properties of the Borrower taken as a whole; or (ii) could materially impair the Borrower's ability to timely and fully perform its obligations under this Agreement or the Security Documents, or materially impair the ability of the Lender to enforce its rights and remedies under this Agreement or the Security Documents;
- (ff) "Material Agreement" means, in respect of the Borrower, any agreement made between the Borrower and another Person which the Lender, in its sole and absolute discretion, determines to be material to the Borrower;
- (gg) "Maturity Date" shall have the same meaning as set forth in Section 4.04 hereof;
- (hh) "Mortgage" has the same meaning as set forth in Sub-Section 5.01(c) hereof;
- (ii) "Note" shall mean the promissory note executed by the Borrower in favour of the Lender in the sum of up to Twelve Million Eight Hundred Thousand (\$12,800,000) Dollars which Note shall be in form and substance satisfactory to the solicitors of the Lender;
- (jj) "Outstanding Encumbrances and Liens" shall have the same meaning as set forth in Sub-Section 7.01(1) hereof;
- (kk) "Person", means a natural person, firm, trust, partnership, association, corporation, government or governmental board, agency or instrumentality;
- (ll) "Permitted Encumbrances" are those Liens described in Schedule "E" attached hereto and any construction financing subsequently acquired by the Borrower for the construction of the condominium project of the Property;
- (mm) "Requirements of Environmental Law" means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) requirements announced by a Governmental

Authority as having immediate effect (provided that at the time of making such announcement the government also states its intention of enacting legislation to confirm such requirements retroactively); (iv) all directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (v) all permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (vi) all requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation and (B) exposure to Hazardous Materials;

- (nn) "Security" means all guarantees, security agreements, mortgages, debentures and other documents mentioned comprising the Security Documents or otherwise and all other documents and agreements delivered by the Borrower or other Persons to the Lender for the benefit of the Lender from time to time as security for the payment and performance of the Borrowers Liabilities, and the security interests, assignments and Liens constituted by the foregoing;
- (oo) "Security Documents", refers collectively to this Agreement, the Mortgage, those documents and instruments referred to in Section 5.01 hereof and any and other documents, agreements or writings delivered to the Lender as contemplated in this Agreement whether as security for the Loan or otherwise. At the option of the Lender, the Security Documents may reflect a fixed rate of interest as designated by the Lender's counsel. Notwithstanding the same, the provisions with respect to the payment of interest as set out in this Agreement shall prevail;
- (pp) "Statutory Lien" means a Lien in respect of any property or assets of a Company created by or arising pursuant to any applicable legislation in favour of any Person (such as but not limited to a Governmental Authority), including a Lien for the purpose of securing the Borrower's obligation to deduct and remit employee source deductions and goods and services tax pursuant to the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada), the Canada Pension Plan (Canada), the *Employment Insurance Act* (Canada) and any federal or provincial legislation similar to or enacted in replacement of the foregoing from time to time; and,
- (qq) "Subsidiary" means a business entity which is controlled by another business entity (as used herein, "business entity" includes a corporation, company, partnership, limited partnership, trust or joint venture).

2.02 Unless otherwise provided herein, all financial terms used in this Agreement shall be determined in accordance with GAAP in effect at the date of such determination. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other computation is required to be made for the purpose of

this Agreement, such determination or calculation shall be made in accordance with GAAP applied on a consistent basis, unless otherwise indicated.

2.03 All amounts referred to in this Agreement are in Canadian Dollars unless otherwise noted.

2.04 Whenever in this Agreement reference is made to a statute or regulations made pursuant to a statute, such reference shall, unless otherwise specified, be deemed to include all amendments to such statute or regulations from time to time and all statutes or regulations which may come into effect from time to time substantially in replacement for the said statutes or regulations.

2.05 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

### **ARTICLE 3 SCHEDULES**

3.01 The following are the schedules attached to and incorporated in this Agreement by reference and deemed to be a part thereof:

Schedule "A" – Lands to be Charged/Mortgaged

Schedule "B" – Schedule of Interest Payments

Schedule "C" – Expenses

Schedule "D" – Additional Loan Payment

Schedule "E" – Permitted Encumbrances

### **ARTICLE 4 THE LOAN, INTEREST, EXPENSES, AND PAYMENT THEREOF**

4.01 Subject to the terms and conditions hereof, the Lender agrees to provide to the Borrower the Loan.

4.02 The Borrower and the Lender acknowledge and confirm that, notwithstanding any rate of interest set out in the Security Documents or any of them, the provisions of this Agreement

regarding the Loan Rate shall govern the rate of interest payable on the Loan. The Borrower and the Lender further acknowledge and confirm that the Security Documents shall be in form and substance satisfactory to the Lender.

4.03 Interest on the Loan Rate shall be determined daily and shall be due, payable and compounded quarterly, not in advance, on the 1st day of each month during such quarterly period, as well after as before demand, maturity, default and judgment, together with interest on overdue interest determined daily (if relevant) and compounded quarterly at the same rate applicable until the Borrower's Liabilities have been paid in full. Interest shall be calculated on the basis of a three hundred and sixty-five (365) day year. Interest on the Loan at the Loan Rate and calculated as aforesaid shall accrue as of the date of the first Loan Instalment. Any disputes on the determination and calculation of interest of the Interest Rate shall be resolved by the Lender, in its opinion but acting reasonably. The first payment of interest and all subsequent payments of interest as aforesaid shall be payable in the amounts and on the dates as set forth in Schedule "B" attached hereto.

4.04 The Loan, together with all accrued and outstanding interest and other charges in connection therewith as set forth in this Agreement and the Security Documents including without limiting the generality of the foregoing the Additional Loan Payment and all other Borrower's Liabilities, shall become fully due and repayable on the fourth anniversary of the first Loan Instalment (the "Maturity Date").

4.05 Any payment provided hereunder to be made by the Borrower to the Lender shall be in certified funds or Bank Draft and shall be payable to the Borrower's Solicitors, in trust, and delivered to the Borrower's Solicitors, or any other payee or office designated by the Lender from time to time. The Borrower's Solicitors shall coordinate further delivery of such funds with the Lender's Solicitors. Any payment as aforesaid received after two o'clock (2:00) p.m. Toronto time shall be deemed to have been received on the next following Business Day.

4.06 This Agreement shall constitute evidence of the obligation of the Borrower to repay all the Borrower's Liabilities in accordance with the terms hereof. The Borrower shall repay the Loan and the Borrower's Liabilities in full on the Maturity Date, and until then shall pay interest at the time or times and in the manner provided herein.

4.07 All Loan Instalments and Expenses as and when advanced or incurred shall be and become secured by the Security Documents and Expenses may be paid by the Lender and be deducted from Loan Instalments which would otherwise have been made to the Borrower. The Security Documents shall be in addition to any other security which the Lender may now have or subsequently acquire for the performance of the Borrower's Liabilities. The Expenses listed in Schedule "C" attached hereto are a list of Expenses (but by no means an exhaustive list of all Expenses) that shall be deducted from the Loan Instalments.

4.08 The Lender and the Borrower mutually acknowledge, confirm, represent and covenant as follows:

- (a) Any amounts advanced by the Lender, in its sole and absolute discretion, to the Borrower pursuant to this Agreement, and pursuant to an offering of secured notes being completed concurrently with the transactions contemplated in this

Agreement, shall occur in tranches (the "**Loan Instalments**") with the first Loan Instalment to be in the amount of not less than Three Million (\$3,000,000) Dollars;

- (b) the initial face value of the Mortgage will be \$5,500,000; which amount can be increased where the Borrower obtains a new valuation/appraisal for the property in form satisfactory to Olympia Trust, whereupon Olympia Trust agrees to increase the maximum mortgage amount; provided in no circumstance will the maximum mortgage amount exceed \$12,800,000; and,
- (c) prior to the release of any funds by the Lender's Solicitors to the solicitor(s) for the Borrower, each Party hereby irrevocably acknowledges and directs that their respective solicitors are authorized to and shall cause to be registered any such instruments on title to the Lands which in the opinion of the solicitor for the Lender may be required as evidence of any sums advanced to the Borrower on the security of this Agreement or the Security Documents.

4.09 The Borrower may not prepay all or any portion of the Borrower's Liabilities hereunder.

4.10 Notwithstanding anything to the contrary contained in this Agreement, any Loan Instalment made by the Lender and the Borrower shall be at the Lender's sole and absolute discretion and the Lender shall not be obligated at any time or times to make any Loan Instalment to the Borrower.

4.11 In addition to the payment by the Borrower of the Loan plus interest as set forth in this Agreement, the Borrower shall also pay to the Lender, in certified funds or Bank Draft, forthwith after the determination is made by the Lender in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as described in Schedule "D" attached hereto in the same manner as contemplated in Section 4.05 hereof. Notwithstanding the foregoing, the Lender, at its option, may also deduct from the Distributable Cash Proceeds, at any time and from time to time, all or any part of the Additional Loan Payment that the Lender, in its opinion, believes is due and payable.

4.12 The parties hereto acknowledge, confirm, covenant and agree that the Lender shall be deducting from the first Loan Instalment and any subsequent Loan Instalments an amount equal to the projected interest on the amount of such Loan Instalment for 12 months which shall be a contribution of the Borrower to the Interest Reserve. The parties hereto further acknowledge, confirm, covenant and agree that the Lender may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Lender's Solicitors or received from the Borrower, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Borrower covenants and agrees that the amount in the Interest Reserve shall be applied by the Lender against the obligations of the Borrower to pay interest hereunder on the Loan Instalments and that once applied or deducted by the Lender from the Loan Instalments, the Distributable Cash Proceeds or otherwise, the Borrower shall have no claim against the funds in the Interest Reserve. The Lender agrees to provide monthly reports on the disposition, if any, of funds set aside and in the Lender's Solicitors trust account.

4.13 The Borrower, at any time after the third anniversary hereof, shall be entitled to repay all or a portion of the Loan without penalty, notice or bonus and the interest at the rate of 8% per annum on the principal outstanding ceasing at the date of prepayment; provided that the Lender shall continue to be entitled to the Additional Loan Payment for all four years of this Loan, even though the Loan shall have been prepaid prior to the four year term expiry (to also be paid at the time of prepayment) plus the prepayment fee; but shall not be entitled to any Additional Loan Payment for the fourth year of the term of this Loan nor any compensation for loss of interest after the date of such prepayment.

## **ARTICLE 5 SECURITY**

5.01 The Borrower agrees to provide the Security Documents listed below to the Lender, as continuing security for the payment and performance of all of its present and future, direct and indirect obligations to the Lender, specifically including the Loan, the Borrowers Liabilities and its direct indebtedness and obligations to the Lender arising under this Agreement:

- (a) The Note;
- (b) A mortgage in the amount of the Principal Sum ranking as a first mortgage; provided that the mortgage shall be subordinated to any construction financing obtained by the Borrower related to construction of the dedicated Alzheimer's and dementia care project on the Property (the "Mortgage");
- (c) if requested by the Lender from time to time, security agreements creating an assignment security interest in respect of its rights to and interest in Material Agreements to which it is a party, together with any necessary consents from the other parties thereto which security interest may not be a first ranking security interest;
- (d) an assignment of its interest in all policies of insurance, specifically including the right to receive any refunds of premiums paid thereunder; and
- (e) such other security and further assurances as the Lender may reasonably require from time to time.

5.02 The Security Documents shall be in form and substance satisfactory to the Lender, acting reasonably. The Lender may require that any item of Security Documents be governed by the laws of the jurisdiction where the property subject to such item of Security Documents is located. The Security Documents shall be registered by the Lender or, at the request of the Lender, by the Borrower, all at the Borrower's cost and expense, where necessary or desirable to record and perfect the charges contained therein, as determined by the Lender in its sole and absolute discretion.

5.03 The Borrower shall cause to be delivered to the Lender prior to each Loan Instalment the opinion of the solicitors for the Borrower regarding its corporate status, the due authorization,

execution and delivery of the Security Documents provided by it, all registrations in respect of the Security Documents, the results of all applicable searches in respect of them, and the enforceability of such Security Documents and any other matters requested by the Lender in its opinion; all such opinions to be in form and substance satisfactory to the Lender.

5.04 The Borrower shall execute and deliver from time to time all such further documents and assurances as may be reasonably required by the Lender from time to time in order to provide the Security Documents contemplated hereunder, specifically including supplemental or additional security agreements which shall include lists of specific assets to be subject to the security interests required hereunder.

5.05 If insurance proceeds become payable in respect of loss of or damage to any property owned by the Borrower the Lender shall apply such proceeds against the Borrower's Liabilities (allocated amongst the components of the Borrower's Liabilities, at all times, by the Lender in its sole and absolute discretion).

## ARTICLE 6 COVENANTS, REPRESENTATIONS AND WARRANTIES

6.01 The Borrower represents and warrants to the Lender as follows (which shall survive the execution and delivery of this Agreement), the truth and accuracy of which are a continuing condition of the advance of the Loan Instalments and the Borrower hereby acknowledges, confirms and agrees that the Lender is relying on such representations and warranties:

- (a) The Borrower is a validly subsisting corporation under the *Business Corporations Act* (Ontario), and is duly qualified to carry on its business in the jurisdiction in which it carries on business and has the power and authority to enter into and perform its obligations under this Agreement, is the registered owner of the Property and is legally entitled to carry on its business as currently conducted or as currently contemplated.
- (b) The Borrower has obtained all material licenses, permits and approvals from all governments, governmental commissions, boards and other agencies of jurisdictions in which it carries on (or contemplates carrying on) business which are required and which will allow for the development of the Property.
- (c) The Borrower or its solicitor has delivered to the Lender, or its solicitor, copies of the constating documents of the Borrower and the Lender's solicitor has obtained a legal opinion from the Borrower's solicitor that the Borrower is authorized to enter into this Agreement and the Security Documents.
- (d) The execution, delivery and performance of this Agreement and the Security Documents has been duly authorized by all requisite action on the part of the Borrower; and this Agreement and the Security Documents have been, or will be, duly executed and delivered by the Borrower, and this Agreement and the Security Documents delivered or to be delivered pursuant hereto and thereto constitutes, or when delivered will constitute, a valid and binding obligation of the

Borrower and enforceable against the Borrower in accordance with their terms, subject to the application of bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights generally and the fact that the right to obtain judicial orders requiring specific performance or other equitable remedies is in the discretion of the court.

- (e) The Borrower shall and does indemnify and hold harmless the Lender and the Indemnitees from and against all losses, claims, damages, liabilities, and expenses, to which any such person or entity may become subject arising out of or in connection with this Agreement, the use of proceeds, or any related transaction or any claim, litigation, investigation or proceeding, relating to any of the foregoing, regardless of whether the Lender is a party thereto, and to reimburse the Lender, forthwith upon demand for any reasonable, legal or other expenses incurred in connection with investigating or defending any of the foregoing.
- (f) The Borrower acknowledges that neither its execution nor delivery of this Agreement or the Security Documents the consummation of the transactions herein contemplated nor compliance with the terms, conditions and provisions hereof or thereof does not and will not conflict with, and does not and will not result in any breach of or constitutes a default under any of the provisions of the constating documents or by-laws of the Borrower or any applicable Law including applicable securities laws, rules, policies and regulations or any contract or agreement upon or to which the Borrower is a party.
- (g) The Borrower has good and marketable title to the Property and its assets free from all mortgages, security interests, Liens, pledges, charges, encumbrances, title retention agreements, options or adverse claims, other than the permitted encumbrances as identified in Schedule "D" attached hereto (the "Permitted Encumbrances") and the Outstanding Encumbrances and Liens.
- (h) The Borrower has filed or caused to be filed, in a timely manner all tax returns, reports and declarations, which are required to be filed by it. All information in such tax returns, reports and declarations is complete and accurate in all material respects. The Borrower has paid or caused to be paid all taxes due and payable or claimed due and payable in any assessment received by it, except taxes the validity of which are being contested in good faith by appropriate proceedings diligently pursued and available to the said Borrower and with respect to which adequate reserves have been set aside on its books. Adequate provision has been made for the payment of all accrued and unpaid federal, provincial, local, foreign and other taxes whether or not yet due and payable and whether or not disputed.
- (i) All representations and warranties of the Borrower contained in this Agreement or in any of the Security Documents shall survive the execution and delivery of this Agreement and shall be deemed to have been made again to the Lender on the date of each Loan Instalment pursuant to this Agreement and shall be conclusively presumed to have been relied on by the Lender regardless of any investigation made or information possessed by the Lender. The representations



and warranties set forth herein shall be cumulative and in addition to any other representations or warranties which the Borrower shall now or hereafter give, or cause to be given, to the Lender.

- (j) The Borrower further acknowledges and agrees that the terms of this Agreement shall override the terms of any previous loan agreements to which the Borrower and the Lender may be or may have been Parties.
- (k) The Borrower acknowledges that the Lender may have executed a loan agreement that has been amended to accommodate the beneficial owners of the Lender and the Borrower agrees to abide by the specific terms of each of said Agreements.
- (l) The Borrower has no Subsidiaries.
- (m) no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any properties or assets of the Borrower out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of the Borrower.
- (n) The Borrower is in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and is duly licensed, registered and qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the property owned or leased by it make such qualification necessary; and all such licences, registrations and qualifications are valid and subsisting and in good standing.
- (o) The Borrower owns, possesses and has a good and marketable title to its undertaking, property and assets, free and clear of any and all Liens except for Permitted Encumbrances and the Outstanding Encumbrances and Liens. The Borrower does not have any commitment or obligation (contingent or otherwise) to grant any Liens except for the Permitted Encumbrances. No event has occurred which constitutes, or which with the giving of notice, lapse of time or both.
- (p) The Borrower have placed insurance, including property, boiler and machinery, business interruption and liability insurance, in appropriate amounts and for appropriate risks as would be considered prudent for similar business.
- (q) The Borrower and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials. The Borrower holds all material permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with (i) air emissions; (ii) discharges to surface or groundwater; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation or disposal of

Hazardous Materials; and (vi) all other Requirements of Environmental Law. There has been no material emission, spill, release, or discharge into or upon (i) the air; (ii) soils, or any improvements located thereon; (iii) surface water or groundwater; or (iv) the sewer, septic system or waste treatment, storage or disposal system servicing the premises, of any Hazardous Materials at or from the Property, and there has been no complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person with respect to (i) air emissions; (ii) spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing the Property; (iii) noise emissions; (iv) solid or liquid waste disposal; (v) the use, generation, storage, transportation, or disposal of Hazardous Materials; or (vi) other Requirements of Environmental Law affecting the Property. There are no legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the Properties, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion with any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims. The Borrower has no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials (including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal).

- (r) Save and except for the and the Outstanding Encumbrances and Liens, there are no actions, suits or proceedings now pending, or to the Borrower's knowledge, threatened, against the Borrower in any court or before or by any federal, provincial, municipal or other Governmental Authority.
- (s) No guarantees have been granted by the Borrower.
- (t) The Borrower has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax, employment insurance and Canada Pension Plan contributions), goods and services and Harmonized Sales tax and all other amounts which if not paid when due could result in the creation of a Statutory Lien against any of the Borrower's property including the Property, except for Permitted Encumbrances.
- (u) Save and except for and the Outstanding Encumbrances and Lien, no Default, Event of Default or Material Adverse Change has occurred and is continuing.
- (v) All financial and other information furnished by or in respect of the Borrower to the Lender for the purposes of or in connection with this Agreement or the Security Documents are true and accurate in all material respects and is not

incomplete by omitting to state any fact necessary to make such information not misleading. There are no facts known to the Borrower which could materially adversely affect the Borrower's ability to observe and perform their obligations under the Security Documents, or which if known to the Lender could reasonably be expected to deter the Lender from making any Loan Instalments hereunder on the terms and conditions contained herein.

## ARTICLE 7 COVENANTS

7.01 The Borrower hereby covenants and agrees with the Lender that it will:

- (a) pay all principal, interest and other amounts due hereunder including the Borrowers Liabilities at the times and in the manner specified herein;
- (b) maintain its corporate existence in good standing, continue to carry on its business, preserve its rights, powers, licences, privileges, franchises and goodwill, exercise any rights of renewal or extensions of any leases, licences, concessions, franchises or any other rights whatsoever which are material to the conduct of its business, maintain all qualifications to carry on business in each jurisdiction in which such qualifications are required, and carry on and conduct its business in a proper and efficient manner so as to protect its property and income; and not materially change the nature of its business;
- (c) comply in all material respects with all applicable Laws (specifically including, for greater certainty, all applicable Requirements of Environmental Law), use the proceeds of all Loan Instalments hereunder for legal and proper purposes in connection with the purposes set out in the first recital of this Agreement, and obtain and maintain in good standing all material leases, licences, permits and approvals from any and all Governmental Authorities required in respect of its business and operations;
- (d) pay when due all rents, taxes, rates, levies, assessments and governmental charges, fees and dues lawfully levied, assessed or imposed in respect of its property which are material to the conduct of its business, and deliver to the Lender upon request receipts evidencing such payments;
- (e) maintain adequate books, accounts and records in accordance with GAAP;
- (f) keep the Property and its assets in good repair and working condition;
- (g) permit the Lender and its employees, representatives and agents (during normal business hours and in a manner which does not materially interfere with its business) to enter upon and inspect the Property and its properties, assets, books and records from time to time and make copies of and abstracts from such books and records, and discuss its affairs, finances and accounts with its officers, directors, accountants and auditors; such access shall be on 48 hours' prior notice unless a Default has occurred and is continuing in which event no notice shall be required;

- (h) obtain from financially responsible insurance company and maintain liability insurance, all-risks property insurance on a replacement cost basis (less a reasonable deductible not to exceed amounts customary in the industry for similar businesses and properties), business interruption insurance and insurance in respect of such other risks as the Lender may reasonably require from time to time; all of which policies of insurance shall be in such amounts as may be reasonably required by the Lender and shall include a standard mortgage clause approved by the Insurance Bureau of Canada; and the Lender's interest shall be noted as an additional insured on all liability insurance policies and as second mortgagee and loss payee on all other insurance policies; and the Lender shall be provided with certificates of insurance and certified copies of such policies from time to time upon request;
- (i) fulfil all covenants and obligations required to be performed by it under this Agreement and the Security Documents to which it is a party and any other agreement or undertaking now or hereafter made between it and the Lender;
- (j) provide prompt notice to the Lender of: (i) the occurrence of any Default or Event of Default; (ii) the incorrectness of any representation or warranty contained herein or any Security Documents in any material respect; (iii) any material contravention of or non-compliance by any Borrower with any terms and conditions of this Agreement or any Security Document; (iv) any Material Adverse Change; (v) any litigation affecting the Borrower; (vi) any material labour dispute affecting the Borrower; or (vii) any notice in respect of the termination or suspension of, or a material default under, any Material Contract;
- (k) provide the Lender with such further information, financial data, documentation and other assurances as the Lender may reasonably require from time to time in order to ensure ongoing compliance with the terms of this Agreement and the Security Documents and to achieve the spirit and intent of this Agreement;
- (l) The Borrower hereby covenants and agrees with the Lender that the first Loan Instalment will be used to purchase the Property free and clear of any encumbrances and liens. The Borrower acknowledges that no funds will be disbursed directly to the Borrower until the Property has been acquired, free and clear of liens and encumbrances.

7.02 The Borrower hereby covenants and agrees with the Lender that it will not without the prior written consent of the Lender (which consent may be withheld in the sole and absolute discretion of the Lender):

- (a) grant or suffer to exist any Liens in respect of any of its property and assets including the Property, except the Permitted Encumbrances;
- (b) directly or indirectly sell or otherwise dispose of any of its assets save and except in the ordinary course of its business or further save and except to sales of dwelling units to bona fide arm's length third party purchasers of Lots;
- (c) make any Distributions;

- (d) not materially change the nature of its business, maintain a place of business or any material assets in any jurisdiction other than the Province of Ontario, or enter into any transaction whereby all or a substantial portion of its undertaking, property and assets would become the property of any other Person, whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise, in each case without the prior written consent of the Lender in its sole and absolute discretion;
- (e) change its Fiscal Year (which for greater certainty presently ends on the last day of December in each year);
- (f) change its Accountants except with the prior written consent of the Lender which consent shall not be unreasonably withheld; and,
- (g) use the proceeds of any Loan Instalment for any purposes other than the development and construction of an Alzheimer's and Dementia care facility on the Property.

7.03 The Borrower shall deliver by courier delivery to the Lender the following financial and other information at the times indicated below:

- (a) the annual Year-end Financial Statements of the Borrower, by the 120th day after the end of the Fiscal Year accompanied by a Compliance Certificate certified by the Chief Financial Officer of the Borrower or other senior officer of the Borrower acceptable to the Lender;
- (b) within the first 120 days after the start of each Fiscal Year, a business plan for the Borrower in respect of such Fiscal Year, which shall disclose all material assumptions utilized and shall include the following items set out on a quarterly basis: balance sheet, income statement, cashflow statement, Capital Expenditures and tax liabilities; and
- (c) such additional information and documents as the Lender may reasonably require from time to time.

7.04 Full, true and accurate accounting and financial information shall be kept by the Borrower in accordance with GAAP as of the date hereof until at least after eighteen (18) months after the Borrower's Liabilities have been repaid. The Lender or anyone designated by the Lender shall have access to the books, records, financial information, financial statements and data of the Borrower (the "Borrower's Books and Records") at any and all times during regular business hours for the purpose of examining and reviewing the Borrower's Books and Records. The Lender shall not disclose any confidential information so obtained except to the extent that disclosure is reasonable in the conduct of the Lender's business.

7.05 The Lender hereby covenants with the Borrower, that the Lender shall execute any necessary documents and register such documents as may be reasonably requested by any construction financier to subordinate the Lender's Mortgage security to any mortgage or other security granted by the construction financier to the Borrower, for the purposes of funding the

Borrower's construction of the project on the Property (which shall include demolition costs and professional fees in furtherance of such construction (architectural, engineering, etc.)); and the Lender appoints the Borrower as the Lender's power of attorney to execute any required documents on behalf of the Lender to evidence the foregoing.

## ARTICLE 8 CONDITIONS PRECEDENT

8.01 The Lender shall have no obligation to make the first Loan Instalment hereunder or any Loan Instalments thereafter on the Closing Date unless at the time of making such Loan Instalment the following terms and conditions (which are condition precedents in favour of the Lender) shall have been satisfied in the opinion of the Lender:

- (a) the Lender shall have completed and shall be satisfied with its due diligence in respect of the Property;
- (b) all representations and warranties made by the Vendor contained in this Agreement or the Security Documents shall be true, correct and complete in all material respects;
- (c) all Security Documents required to be provided at the time of the first Loan Instalment shall have been executed and delivered, all registrations necessary or desirable in connection therewith shall have been made, and all legal opinions and other documentation required by the Lender in connection therewith shall have been executed and delivered, all in form and substance satisfactory to the Lender in its sole and absolute discretion;
- (d) the Lender shall have received satisfactory evidence that there are no Liens affecting the Borrower or its assets, except for Permitted Encumbrances and the Outstanding Encumbrances and Liens which shall be paid in full and deducted from the First Loan Instalment on the Closing Date;
- (e) the Lender shall have received particulars of all Permitted Encumbrances, specifically including the assets encumbered thereby, the amounts due thereunder, and confirmation from the holders thereof that the terms thereof are being complied with;
- (f) the property and assets of the Borrower shall be insured on the Closing Date; the terms and conditions of such insurance to be in compliance with the requirements of this Agreement in the opinion of the Lender;
- (g) the Lender shall have received an officer's certificate and certified copies of resolutions of the board of directors of the Borrower concerning the due authorization, execution and delivery of the Security Documents to which it is a party, and such related matters as the Lender may reasonably require;
- (h) the Lender shall have received from the Borrower a certificate of status as of the Closing Date or the date of any Loan Instalment, as the case may be, certificate of compliance or similar certificate for the Borrower issued by its governing jurisdiction

and each other jurisdiction in which it carries on business or holds any material assets;

- (i) the Lender shall have received such additional evidence, documents or undertakings as it may reasonably require to complete the transactions contemplated hereby in accordance with the terms and conditions contained herein;
- (j) All Realty Taxes related to the Property are up-to-date as of the Closing Date; and
- (k) All mortgages, charges, Liens and encumbrances have been discharged, on the Closing Date and prior to any Loan Instalment being made.

8.02 The Borrower hereby acknowledges, confirms, covenants and agrees that the Lender is syndicating the Loan and therefore, the Lender shall have no obligation to make the first Loan Instalment hereunder on the Closing Date or any Loan Instalment thereafter unless at the time of making such Loan Instalment the syndication of the Loan has been completed in the opinion of the Lender.

#### **ARTICLE 9 DEFAULT AND REMEDIES**

9.01 The occurrence of any one or more of the following events, after the expiry of any applicable cure period set out below, shall constitute an event of default under this Agreement (an "Event of Default"):

- (a) the Borrower fails to pay any principal, interest, Expenses or any other amount payable hereunder when due under the terms of this Agreement or any of the Security Documents;
- (b) any representation, warranty or statement made to the Borrower herein or in any Security Documents is incorrect in any material respect on the date on which such representation, warranty or statement was made or deemed to have been made, or subsequently becomes incorrect in any material respect; provided that if such representation, warranty or statement is capable of being corrected within twenty (20) days, the Borrower diligently attempts to take all such action as may be necessary in order that such representation, warranty or statement will become correct and diligently keep the Lender informed of its efforts in this regard, and such representation, warranty or statement is correct by not later than the expiry of such twenty (20) day period on the opinion of the Lender, then the incorrectness of such representation, warranty or statement shall not constitute an Event of Default;
- (c) the Borrower fails to perform or comply with any of the covenants or obligations set out in this Agreement;
- (d) the Borrower fails to perform or comply with any of its covenants or obligations contained in any of the Security Documents, in each case, following receipt of notice of such non-compliance from the Lender; provided that if such non-compliance is capable of remedy within twenty (20) days, the Borrower diligently attempts to

remedy such non-compliance and diligently keeps the Lender informed of its efforts in this regard, and such non-compliance is remedied within such twenty (20) day period in the opinion of the Lender, then such non-compliance shall not constitute an Event of Default;

- (e) an Insolvency Event occurs in respect of the Borrower;
- (f) any document constituting part of the Security Documents shall for any reason cease to be in full force and effect or shall be declared in a final judgment of a court of competent jurisdiction to be null and void; or the Borrower contests the validity or enforceability thereof or denies it has any further liability or obligation thereunder; or any document constituting part of the Security Documents shall for any reason fail to create a valid and perfected First-Ranking Security Interest subject to Permitted Encumbrances in the opinion of the Lender, in and to the property purported to be subject thereto, except that if such failure is capable of remedy within thirty (30) days, the Borrower diligently attempts to remedy such failure and diligently informs the Lender of its efforts in this regard, and the failure is remedied within such thirty (30) day period in the opinion of the Lender, then the failure shall not constitute an Event of Default;
- (g) any Person takes possession, or threatens to take possession, of any property of the Borrower including the Property by way of or in contemplation of enforcement of any security it may hold, or a distress or execution or similar process is levied or enforced against any such property; and,
- (h) any Governmental Authority shall take any action or proceeding to condemn, seize or appropriate any property of the Borrower that is material to its financial condition, business or operations.

9.02 Upon the occurrence of an Insolvency Event, the Borrower's Liabilities shall become immediately due and payable, without the necessity of any demand upon or notice to the Borrower by the Lender. Upon the occurrence and during the continuation of any Event of Default other than an Insolvency Event, the Lender may by written notice to the Borrower declare the Borrower's Liabilities to be immediately due and payable. Upon the occurrence and during the continuation of an Event of Default, both before and after the Acceleration Date, all outstanding Loan Instalments shall bear interest at the Loan Rate plus two percent (2%) per annum in order to compensate the Lender for the additional risk.

9.03 Upon the occurrence and during the continuation of an Event of Default, the Lender may apply any proceeds of realization from any Security or related to this Agreement or the Security Documents, against any portion or portions of the Borrower's Liabilities, and the Borrower may not require any different application. The taking of a judgment or any other action or dealing whatsoever by the Lender in respect of the Security Documents shall not operate as a merger of any of the Borrower's Liabilities hereunder or in any way affect or prejudice the rights, remedies and powers which the Lender may have, and the foreclosure, surrender, cancellation or any other dealing with any Security Documents or the said obligations shall not release or affect the



liability of the Borrower or any other Person in respect of the remaining portion of the Borrower's Liabilities.

9.04 The Lender shall not be obliged to make any further Loan Instalments from and after the earliest to occur of the following: (i) delivery by the Lender to the Borrower of a written notice that a Default or an Event of Default has occurred and is continuing (whether or not such notice also requires immediate repayment of the Borrower's Liabilities); (ii) the occurrence of an Insolvency Event; and (iii) receipt by the Borrower of any garnishment notice or other notice of similar effect in respect of the Borrower pursuant to the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada) or any similar notice under any other statute.

9.05 All of the rights and remedies granted to the Lender in this Agreement and the Security Documents, and any other rights and remedies available to the Lender at law or in equity, shall be cumulative. The exercise or failure to exercise any of the said remedies shall not constitute a waiver or release thereof or of any other right or remedy, and shall be non-exclusive.

9.06 If the Borrower fails to perform any covenant or obligation to be performed by it pursuant to this Agreement or the Security Documents, the Lender may in its sole and absolute discretion, after written notice to the Borrower, perform any of the said obligations but shall be under no obligation to do so; and any amounts expended or advanced by the Lender for such purpose shall be payable by the Borrower upon demand together with interest at the Interest Rate.

9.07 If the Borrower intends to take the benefit of any Insolvency Legislation, including making an assignment for the general benefit of creditors, making a proposal or filing a notice of intention to make a proposal under Insolvency Legislation, the Borrower covenants and agrees to provide the Lender with five (5) Business Days' prior written notice before any of the aforementioned proceedings are commenced. As soon as possible prior to the commencement of any such proceedings, the Borrower shall provide to the Lender copies of all relevant filing materials, including copies of draft court orders, plans of compromise, proposals and notices of intention. During this notice period the Lender may, in its sole discretion, elect to exercise any and all rights and remedies which may be available to it at that time as set out in this Agreement.

## ARTICLE 10 GENERAL CONTRACT TERMS

10.01 The failure or delay by the Lender in exercising any right or privilege with respect to the non-compliance with any provisions of this Agreement by the Borrower and any course of action on the part of the Lender, shall not operate as a waiver of any rights of the Lender unless made in writing by the Lender. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given and shall not constitute a waiver of any other rights and remedies of the Lender with respect to any other or future non-compliance.

10.02 In addition to any other liability of the Borrower hereunder, the Borrower hereby agrees to indemnify and save harmless the Indemnitees from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including reasonable legal fees on a solicitor and his own client basis) of any kind or nature whatsoever

(but excluding any consequential damages and damages for loss of profit) which may be imposed on, incurred by or asserted against the Indemnitees (except to the extent arising from the negligence or wilful misconduct of such Indemnitees) which relate or arise out of or result from:

- (a) any failure by the Borrower to pay and satisfy its obligations hereunder and the Security Documents including the Borrower's Liabilities; and,
- (b) any investigation by Governmental Authorities or any litigation or other similar proceeding related to any use made or proposed to be made by the Borrower of the proceeds of any Loan Instalment
- (c) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the failure of the Borrower to comply with all Requirements of Environmental Law;
- (d) any losses suffered by the Indemnitees for, in connection with, or as a direct or indirect result of, the presence of any Hazardous Material situated in, on or under any property owned by the Borrower including the Property or upon which it carries on business; and
- (e) any and all liabilities, losses, damages, penalties, expenses (including reasonable legal fees) and claims which may be paid, incurred or asserted against the Indemnitees for, in connection with, or as a direct or indirect result of, any legal or administrative proceedings with respect to the presence of any Hazardous Material on or under any property owned by the Borrower including the Property or upon which it carries on business, or the discharge, emission, spill, radiation or disposal by the Borrower of any Hazardous Material into or upon the Property, the atmosphere, or any watercourse or body of water; including the costs of defending and/or counterclaiming or claiming against third parties in respect of any action or matter and any cost, liability or damage arising out of a settlement entered into by the Indemnitees of any such action or matter;

10.03 The termination of this Agreement shall not relieve the Borrower from its obligations to the Lender arising prior to such termination, such as but not limited to obligations arising as a result of or in connection with any breach of this Agreement or the Security Documents, any failure to comply with this Agreement or the Security Documents or the inaccuracy of any representations and warranties made or deemed to have been made prior to such termination, and obligations arising pursuant to all indemnity obligations contained herein.

10.04 If the Borrower fails to pay when due any Expenses or other amounts paid by the Lender hereunder (other than principal or interest on any Loan Instalment), the Borrower agrees to pay interest on such unpaid amount from the time such amount is due until paid at the Loan Rate.

10.05 Without prejudice to any other method of giving notice, all communications provided for or permitted hereunder shall be in writing and delivered to the addressee by prepaid private courier or sent by telecopy to the applicable address and to the attention of the officer of the addressee as follows:

(i) to the Borrower:

1703858 Ontario Ltd.  
c/o Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: John Davies

with a copy to:

Harris + Harris LLP  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario, L4W 4Y6

Attention: Mr. Gregory H. Harris  
Fax Number: 905-629-4350

(ii) if the Lender:

c/o Tier 1 Transaction Advisory Services Inc.  
3655 Kingston Road  
Toronto, ON M1M 1S2

Attention: Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: (416) 628-5597

Any communication transmitted by prepaid private courier shall be deemed to have been validly and effectively given or delivered on the Business Day after which it is submitted for delivery. Any communication transmitted by telecopy shall be deemed to have been validly and effectively given or delivered on the day on which it is transmitted, if transmitted on a Business Day on or before 5:00 p.m. (local time of the intended recipient), and otherwise on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner.

10.06 Any provision of this Agreement which is illegal, prohibited or unenforceable in any jurisdiction, in whole or in part, shall not invalidate the remaining provisions hereof; and any such illegality, prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.07 The Borrower shall from time to time at its own expense promptly execute and deliver or cause to be executed and delivered to the Lender all such other and further documents, agreements, opinions, certificates and instruments which may be requested by the Lender if necessary or desirable to more fully record or evidence the obligations intended to be entered into herein, or to make any recording, file any notice or obtain any consent.

10.08 Time shall be of the essence of this Agreement.

10.09 The Borrower may not assign any of its rights or obligations under this Agreement without the prior written consent of the Lender. The Lender may grant participations in all or any portion of its rights under this Agreement from time to time without notice to or obtaining the prior written consent of the Borrower. The Borrower agrees to co-operate fully with the Lender in connection with any assignment or participation pursuant to this section, and agrees to execute and deliver from time to time in favour of the Lender and any such assignee or participant such documents and assurances as may be reasonably required by the Lender or the assignee or participant in connection with such assignment or participation.

10.10 This Agreement and any other documents or instruments contemplated herein or therein shall constitute the entire agreement and understanding between the Borrower and the Lender relating to the subject-matter hereof. For greater certainty and without limiting the generality of the foregoing, this Agreement supersedes all discussion papers previously issued by the Lender relating to the proposed establishment of the Loan, which have no force or effect.

10.11 To the extent that there is any inconsistency between a provision of this Agreement and a provision of any document constituting part of the Security including the Security Documents, the provision of this Agreement shall govern. For greater certainty, a provision of this Agreement and a provision of any Security Document shall be considered to be inconsistent if both relate to the same subject-matter and the provision in the Security Document imposes more onerous obligations or restrictions than the corresponding provision in this Agreement (excluding fees and Expenses).

10.12 This Agreement shall be interpreted in accordance with the laws of the Province of Ontario. Without prejudice to the right of the Lender to commence any proceedings with respect to this Agreement in any other proper jurisdiction, the parties hereby attorn and submit to the non-exclusive jurisdiction of the courts of the Province of Ontario.

10.13 This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same Agreement. This Agreement may be executed by facsimile, and any signature contained hereon by facsimile shall be deemed to be equivalent to an original signature for all purposes.

10.14 This Agreement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of any party with any other corporation.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date written on the first page hereof.

**2223947 ONTARIO LIMITED**

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

  
Name: Raj Singh

Title: President

*I have authority to bind the corporation*

**1703858 ONTARIO LTD.**

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

  
John Davies

*I have authority to bind the corporation*

**SCHEDULE "A"**  
**THE LANDS**

PT LT 6, PL 125, AS IN 641723; BURLINGTON, PIN; 07074-0033 (LT) and PT LT 6, PL 125, AS IN 205910; BURLINGTON, PIN 07074-0034 (LT)

**SCHEDULE "B"**  
**SCHEDULE OF INTEREST PAYMENTS**

Interest payments shall be calculated at an annual interest rate of EIGHT PERCENT (8%), paid quarterly in trust to the Borrower's Solicitor, commencing on or about July 1, 2013. All funds advanced after May 1, 2013 will receive an initial payment pro rated up to and including July 1, 2013 and full payments quarterly until the maturity date, anticipated to be on or about May 1, 2017.

**SCHEDULE "C"**  
**EXPENSES**

The Expenses include the following:

- a) Mortgage Brokerage Fee of \$128,000 payable to First Commonwealth Mortgage Corporation and Tier 1 Mortgage Corporation (collectively, referred to as the "**Mortgage Broker**"); (based on a maximum mortgage advance of \$12,800,000). The fee payable to the Mortgage Broker is 1% of the mortgage amount advanced.
  
- b) Referral and Related Fees of \$1,920,000 payable on account of fees and commission incurred in relation to the Loan which shall be paid as the Mortgage Broker may in writing direct (based on a maximum mortgage advance of \$12,800,000 where the actual mortgage advance is less than \$12,800,000, the referral and related fees will be proportionately reduced); and,
  
- c) Legal Fees. Legal Fees of \$20,000.00 plus HST plus Disbursements (which shall include Title Insurance and other Expenses) shall be payable to the Lender's Solicitors which shall be deducted from the first Loan Instalment. In the event that there is more than one (1) Loan Instalments, then additional legal fees of \$3,000 plus HST plus Disbursements shall be paid to the Lender's Solicitors on each additional Loan Instalment. The fees, taxes and disbursements of the Borrower's Solicitors shall be paid in addition to the fees, taxes and disbursements of the Lender's Solicitors. It is estimated the fees of the Borrower's Solicitors shall be \$25,000 in the first Loan Instalment and \$15,000 for each Loan Instalment thereafter.



**SCHEDULE "D"**  
**ADDITIONAL LOAN PAYMENT**

The Additional Loan Payment shall be an amount equal to four (4%) per cent per annum of the face value of the Mortgage and shall be payable for such time as the Loan remains outstanding, as determined by the Lender (the "Additional Loan Payment"). The Additional Loan Payment shall be payable by the Borrower from the Distributable Cash Proceeds or from the proceeds being held by the Lender's Solicitor, in trust, as contemplated in Sub-Section 7.01(n) of this Agreement. The payment of the Additional Loan Payment may be paid at any time and from time to time to the Lender after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement. If the face amount of the Mortgage is less than \$12,800,000, the Additional Loan Payment shall be reduced accordingly. The Additional Loan Payment will be paid after the Loan, plus interest thereon in accordance with this Agreement and all Expenses are paid pursuant to this Agreement as determined by the Lender, acting reasonably.

For the sake of clarity, if the face amount of the Mortgage is \$12,800,000 and the Borrower's Liabilities have not been paid until the fourth anniversary of the first Loan Instalment, then the amount of the Additional Loan Payment payable by the Borrower to the Lender shall be \$2,048,000, or 4% per annum for each year the Mortgage is outstanding; which interest amount shall not be compounded from time to time. Notwithstanding the foregoing, the calculation of the Additional Loan Payment and the timing of the payments thereof shall be determined by the Lender, acting reasonably.

The Lender shall provide to the Borrower reasonable notice of any payments made on account of the Additional Loan Payment. If the Borrower exercises its right to prepay all or a portion of the Loan, then the 4% per annum Additional Loan Payment for the fourth year of the term of this Loan shall continue to be payable, in full, notwithstanding any prepayment, from Distributable Cash Proceeds.

**SCHEDULE "E"**  
**PERMITTED ENCUMBRANCES**

1. Liens for municipal property taxes, local improvement assessments or taxes, or other taxes, assessments or recoveries relating to the Property which are not at the time due;
2. The reservations, limitations, exceptions, provisos and conditions, if any expressed in any original grants from the Crown including, without limitation, the reservations of any mines and minerals in the Crown or in any other person.
3. Any registered or unregistered licenses, easements, rights-of-way, rights in the nature of easements and agreements with respect thereof which relate to the provisions of utilities or services or easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner to the Property (including, without limitation, agreements, easements, licenses, rights-of-way and interests in the nature of easements for sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires, and cables).
4. Title defects or irregularities, which are of a minor nature and in the aggregate will not materially adversely impair the use or marketability of the Real Property or that part thereof affected by the defect or irregularity for the purposes for which it is presently used.
5. The exceptions, limitations and qualifications of the Land Titles Act and any amendments thereto.



**SYNDICATED MORTGAGE PARTICIPATION AGREEMENT**

**BETWEEN:**

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED**

**AND:**

**MC TRUSTEE (KITCHENER) LTD.**

## SYNDICATED MORTGAGE PARTICIPATION AGREEMENT

THIS AGREEMENT made and effective as of October 1, 2013.

### BETWEEN:

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED  
HERETO**

(herein individually referred to as a "Lender" and collectively, as "Lenders")

### AND:

**MC TRUSTEE (KITCHENER) LTD.**, a company incorporated  
under the laws of the Province of Ontario,

(herein referred to as the "Bare Trustee")

### RECITALS:

A. Each of the Lenders have agreed to participate in the Loan (as hereinafter defined) in accordance with the terms of this Mortgage Participation Agreement.

B. The Bare Trustee will be the holder of the Lender Security (as hereinafter defined) in trust for the Lenders according to their respective Proportionate Share Percentages (as hereinafter defined) and the Bare Trustee will administer the Loan, on behalf of the Lenders, in accordance with this Agreement.

C. Each of the Lenders and the Bare Trustee wish to enter into this Agreement to set out their respective rights, obligations and agreements with respect to the Loan.

**IN CONSIDERATION** of the mutual obligations of the Lenders and the Bare Trustee in this Agreement and other good and valuable consideration received by each of the Lenders from the Bare Trustee, the receipt and sufficiency of which is acknowledged, the parties hereto covenant and agree with each other as follows:

### PART 1

#### DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following terms have the following meanings: "**Bare Trustee's Solicitors**" means Nancy Elliott, Barrister & Solicitor, 5000 Yonge Street, Suite 1901, Toronto, Ontario, M2N 7E9, or such other law firm that the Bare Trustee may appoint subject to the Lender's right to appoint their solicitors by Ordinary Approval in accordance with this Agreement;

- (a) **"Borrower"** means Memory Care Investments (Kitchener) Ltd., its successors and assigns;
- (b) **"Borrower's Liabilities"** has the same meaning as set forth in the Loan Agreement;
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (d) **"GAAP"** has the meaning given to it in Section 1.2 hereof;
- (e) **"Interest Rate"** means Eight (8%) per cent per annum calculated and payable as set forth in the Loan Agreement.
- (f) **"Interest Reserve Account"** means an interest reserve account to be established pursuant to the Loan Agreement and which shall be administered by the Bare Trustee from funds advanced under the Loan which, initially, should be the equivalent to the first year's worth of interest payable by the Borrower pursuant to the Loan Agreement as determined by the Bare Trustee, with the amount of said interest reserve account to be deposited into the Bare Trustee's Solicitors trust account;
- (g) **"Lands"** means the lands and premises more particularly described in Schedule "B" attached hereto;
- (h) **"Lender Security"** or **"Lenders Security"** means, in respect of the Loan, all security and documentation required of the Borrower by the Bare Trustee pursuant to the Loan Agreement, including the Mortgage;
- (i) **"Loan"** means the aggregate amount of all advances made from time to time under the Loan Agreement by the Bare Trustee, in trust for the Lenders, to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Bare Trustee;
- (j) **"Loan Agreement"** means a certain Loan Agreement dated as of October 1, 2013 by and between the Borrower and the Bare Trustee, a copy of which is attached as Schedule "C" hereto, as may be amended, supplemented or restated from time to time.
- (k) **"Loan Interest"** means each of the Lender's interest in the Borrower's Liabilities;
- (l) **"Major Decisions"** means the following decisions to be made by the Lenders in relation to the Loan:
  - (i) any change in the Interest Rate applicable to the Loan;
  - (ii) any increase in the amount of the Loan;
  - (iii) any change to the Borrower's entitlement to prepay the Loan;

- (iv) any change in the periodic payments or maturity date under the Loan from that set out in the Loan Agreement;
  - (v) any forgiveness of any money owing in respect of the Loan;
  - (vi) any agreement whereby money owing under the Loan is converted to shares or equity of the Borrower or to any other type of security;
  - (vii) any agreement permitting the Borrower to register any mortgage or other debt security as against the Lands, except as allowed under the Loan Agreement;
  - (viii) any cancellation or termination of any of the Lender Security;
  - (ix) any concession, forgiveness or waiver with regard to the payment of the Loan;
  - (x) the incurring of any liability in priority to the Loan except as set forth in the Loan Agreement.
- (m) **“Majority of Lenders”** means those Lenders, from time to time, holding or having more than 50.01% of the Proportionate Share Percentage of the Loan;
- (n) **“Material Event of Default”** means, in respect of the Loan, the “Events of Default” as defined and as set forth in the Loan Agreement.
- (o) **“Mortgage”** means, in respect of the Loan, the first mortgage registered, or to be registered against title to the Lands in favour of the Bare Trustee in the principal amount of up to \$12,800,000, and all amendments thereto;
- (p) **“Ordinary Approval”** means the approval of Lenders holding in the aggregate, more than 50.01 % of the Voting Interest;
- (q) **“Principal”** means, in respect of a Loan, all principal from time to time owing under the Loan;
- (r) **“Property”** means the Lands and all movable equipment, chattels and other personal property, revenues including without limitation all retail and parking revenues, licenses, leases, permits, approvals, and all other tangible or intangible property and all proceeds from any insurance or sales in respect of the foregoing owned by the Borrower or to which the Borrower is entitled;
- (s) **“Proportionate Share Percentage”** or **“Proportionate Share Percentages”** means, in respect of the Loan, the proportionate interest of each of the Lenders in respect of the Loan from time to time (expressed as a percentage), which shall be the percentage that the total outstanding advances made by each Lender is of the total of all advances made by all Lenders, as calculated by the Bare Trustee, acting reasonably, and as may be adjusted by the Bare Trustee, acting reasonably, and with the Proportionate Share

Percentages of all the Lenders set forth as of the date first above written in Schedule "D" attached hereto;

(t) "**Protective Advance**" means advances whether necessary or otherwise, for the protection or preservation of the Loan, the Property or other collateral or to avoid the probability or likelihood of losses to the Lenders under the Loan and the Lender Security, including without limitation advances to pay for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Property or other collateral or to discharge any liens, charges or encumbrances ranking in priority to the Lender Security as against the Property or other collateral;

(u) "**Requisitioning Lenders**" shall have the same meaning as set forth in Sub-Section 8.1(d) hereof; and

(v) "**Voting Interest**" means the number of votes of the Lenders, corresponding to their respective Proportionate Share Percentages but expressed as a whole number to two decimal places if the Bare Trustee, acting reasonably, believes to do so is appropriate under the circumstances, that each Lender has as set out in Schedule "D" attached hereto which may be subject to adjustments from time to time, by the Bare Trustee, acting reasonably.

1.2 Unless specifically provided to the contrary, all accounting and financial terms used in this Agreement shall be interpreted and applied in accordance with generally accepted accounting principles in Canada consistently applied as of the reference date of this Agreement ("GAAP"). Where the Canadian Institute of Chartered Accountants includes a statement in its Handbook on a method of accounting, such statement shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and subject to the immediately preceding sentence, references herein to "GAAP" shall be interpreted accordingly.

1.3 The following schedules (and any other supplementary schedules or exhibits referred to therein) are incorporated by reference in this Agreement and are deemed to form a part hereof:

Schedule "A" - List of Lenders (Address Information for Notices)

Schedule "B" - Legal Description of Lands

Schedule "C" - Loan Agreement

Schedule "D" - Lender's advances, Proportionate Share Percentage and Voting Interests.

## **PART 2**

### **AGENCY APPOINTMENT AND LIABILITY**

2.1 The Lenders hereby appoint the Bare Trustee as their administration agent for the purpose of administering the Loan and carrying out the Lenders' rights, powers and duties under this Agreement, the Loan Agreement and the Lenders Security and the Bare Trustee agrees to carry out and fulfill such appointment in a responsible manner.



2.2 If, in the course of carrying out its rights, powers and duties under this Agreement, the Bare Trustee is, in respect of the Loan, subject to any liability, losses, claims, costs or damages arising under or in relation to the Loan Agreement, the Loan or the Lender Security, the Lenders shall be responsible for same, in proportion to their respective Proportionate Share Percentage, unless same arises as a result of the negligence, misrepresentation or wilful default of the Bare Trustee or from matters arising out of the inaction of the Bare Trustee under this Agreement, the Loan Agreement or the Lenders Security or the actions of the Bare Trustee are beyond the scope of its authority under this Agreement, for which the Bare Trustee shall be solely responsible.

2.3 The Lenders appoint the Bare Trustee to hold the Lenders Security, the Loan and all proceeds received from the Borrower, either directly or indirectly, as bare trustee for the Lenders in accordance with their respective Proportionate Share Percentage.

2.4 The Bare Trustee shall:

(a) at all times comply with the provisions of this Agreement and follow the directions of the Majority of Lenders;

(b) act solely on the directions of the Majority of Lenders and not on the directions of an individual Lender; and,

(c) except as set forth in this Agreement, the Loan Agreement or the Lenders Security, not acquire or hold any property, incur any liability, undertake any obligation or perform any activity except on the directions of the Majority of Lenders.

2.5 The business and affairs of the Bare Trustee shall be managed by the board of directors of the Bare Trustee. Unless otherwise agreed by a Majority of the Lenders, the board of directors of the Bare Trustee shall consist of One (1) director being Raj Singh and Raj Singh shall also serve as President and Secretary of the Bare Trustee.

### **PART 3**

#### **LOAN ADVANCE AND PROTECTIVE ADVANCES**

3.1 The Lenders acknowledge, confirm and agree that the advances made by each of the Lenders and each Lender's respective Proportionate Share Percentage is as set forth in Schedule "D" attached hereto.

3.2 If the Lenders determine by Ordinary Approval that an expenditure is required as a Protective Advance, the Bare Trustee shall deliver to the Lenders a written request that same be made, accompanied by such written particulars of same as the Bare Trustee considers appropriate, acting reasonably, and a calculation of the each Lender's share of such Protective Advance based on its respective Proportionate Entitlement. The Lenders may, within ten (10) Business Days after receiving the Bare Trustee's request, pay to the Bare Trustee its

proportionate share as determined by the Bare Trustee, acting reasonably, of such Protective Advance. The Bare Trustee shall keep a record of all such Protective Advances made by the Lenders.

#### **PART 4**

##### **LOAN ENTITLEMENTS**

4.1 Subject to Section 4.3 hereof, the Lenders shall be entitled to receive, to the extent provided by proceeds received from the Borrower or pursuant to the Loan Agreement including the Interest Reserve Account, the repayment of their advances as set forth in Schedule "D" attached hereto with interest thereon at the Interest Rate plus any amounts payable to the Bare Trustee under the Loan Agreement in proportion to their respective Proportionate Share Percentages from time to time. Any partial repayment of the Loan or Borrower's Liabilities to the Lenders will be in accordance with the provisions set out in Loan Agreement or the Lenders Security.

4.2 Subject to Section 4.3 hereof, the Loan Interest of any of the Lenders shall not rank in priority to the Loan Interest of the other Lenders.

4.3 The proceeds of realization, insurance, expropriation and other compensation or other proceeds realized or paid under the Loan Agreement or the Lender Security including Principal with interest thereon in accordance with the Loan Agreement, in respect of the Loan shall be paid out by the Bare Trustee as follows:

- (a) first, by payment to each Lender, if applicable, who has made a Protective Advance, pro-rata, based on the Protective Advances made by any such Lenders; and,
- (b) the balance, by payment to each Lender, pro-rata in accordance with such Lender's respective Proportionate Share Percentages.

The Bare Trustee, acting reasonably, shall determine the above-noted pay-outs or distributions to the Lenders.

#### **PART 5**

##### **LENDER SECURITY**

5.1 The Lender Security shall be held and where applicable registered in the applicable registry in the name of the Bare Trustee. The Bare Trustee shall hold the Lender Security as bare trustee for and on behalf of the Lenders in accordance with their respective Proportionate Share Percentages.

- 5.2 The Bare Trustee will cause the Bare Trustee's Solicitors, to:
- (a) address its legal opinions in respect of the Lender Security to both the Lenders (if possible) and the Bare Trustee; and
  - (b) provide each Lender with a document book containing executed copies of the Lender Security and all other material legal documents relating to the Loan (including Declarations of Trust) within a reasonable time after the first advance of the Loan.

If any Lender wishes to engage the services of its own legal counsel or other advisors in connection with the Loan or the Lender Security, the cost of such additional advice shall be at the cost of such Lender.

## **PART 6**

### **BARE TRUSTEE'S FUNCTIONS AND AUTHORITY**

6.1 Subject to the provisions of this Agreement, the Bare Trustee shall administer the Loan and the Lender Security as it deems advisable, consistent with reasonable administration practices and, without limiting the generality of the foregoing, shall perform the following duties:

- (a) make reasonable efforts to collect all payments due under the Loan;
- (b) forthwith give notices to the Borrower, its successors and assigns, tenants of the Property, if any, and others as are necessary to properly administer the Loan and the Borrower's Obligations under the Loan Agreement and the Lenders Security;
- (c) maintain proper records and accounts;
- (d) promptly inform each Lender of any default which has occurred under the Loan Agreement or Lender Security and of which it has knowledge and take such action as is required or permitted to be taken under this Agreement, the Loan Agreement or the Lenders Security save and except for the matters that require the Ordinary Approval of the Lenders under this Agreement; and,
- (e) agree to modifications of or waivers in respect of the Loan, approved by Ordinary Approval.

6.2 Notwithstanding the foregoing, the Bare Trustee shall not agree to or implement any Major Decisions unless same have been previously approved by an Ordinary Approval of the Lenders. When approved by an Ordinary Approval, such Major Decisions shall be binding on all Lenders; provided the Bare Trustee shall be entitled to execute all documentation necessary to subordinate the Mortgage and other security granted to the Bare Trustee/Lenders by the Borrower to any security granted by the Borrower to a construction lender for the purposes of constructing the condominium project at the Property and the Bare Trustee shall not be obligated

to seek approval from the Lenders in this regard and such action shall not be deemed to constitute a Major Decision for the purposes of this Agreement.

6.3 The Bare Trustee shall deal equitably and in a non-discriminatory manner with the Lenders in carrying out its duties under this Agreement.

6.4 The Bare Trustee shall not have any duties or responsibilities in relation to the Loan or the Loan Interests, except as are set out in this Agreement.

6.5 The Borrower shall be instructed by the Bare Trustee to direct to the Bare Trustee all correspondence, communications, notices, statements and reports, requests for advances and other payments and all other matters whatsoever relating to the Loan, the Loan Agreement and the Lender Security.

## **PART 7**

### **REMITTANCE OF PAYMENTS**

7.1 The Bare Trustee shall receive all payments made by the Borrower under the Loan in trust for the Lenders in accordance with their respective Proportionate Share Percentages, subject to the provisions of this Agreement. At the option of the Bare Trustee, the Bare Trustee may direct the Borrower to make any payments under the Loan to the Bare Trustee's Solicitors, in trust. The Bare Trustee shall remit, or cause the Bare Trustee's Solicitors to remit, to the Lenders its respective share of such payments in accordance with this Agreement promptly after receipt of such funds. All funds received and processed by the Bare Trustee on behalf of the Lenders shall, if not otherwise deposited into the Trust Account of the Bare Trustee's Solicitors, be accounted for separately from the Bare Trustee's own funds, shall be processed through and/or held in a segregated account, and shall not be commingled with the Bare Trustee's own funds.

7.2 The Lenders acknowledge that the Bare Trustee is irrevocably authorized and directed to deduct and retain or pay from any payments received by it from the Borrower in respect of the Loan any amounts owing by a Lender to the Bare Trustee under this Agreement or paid by the Bare Trustee on behalf of such Lender on their behalf in fulfillment of the Lender's obligations hereunder.

## **PART 8**

### **LENDERS MEETINGS**

8.1 A Meeting of the Lenders shall be called in the following circumstances:

- (a) By the Bare Trustee, if there is a Default under the Loan Agreement which Default has not been cured as determined by the Bare Trustee, acting reasonably;

- (b) By the Bare Trustee, if a Major Decision is required to be made as determined by the Bare Trustee, acting reasonably;
- (c) By the Bare Trustee, if Lenders, in the aggregate, having or holding Proportionate Share Percentages of more than Ten (10%) per cent and such Lenders request that the Bare Trustee have a Meeting of the Lenders; and,
- (d) By the requisitioning Lenders if Lenders, holding more than ten (10%) per cent of Proportionate Share Percentages (the "Requisitioning Lenders") in writing requisition the Bare Trustee to hold a Meeting of Lenders and the Bare Trustee does not call a Meeting of the Lenders within Seven (7) days of receipt of such requisition.

Notwithstanding the foregoing, the Bare Trustee may call a Meeting of the Lenders at any time.

8.2 Meetings of Lenders shall be held at such location as determined by the Bare Trustee or the Requisitioning Lenders, as the case may be, in the Notice of the Meeting of Lenders provided such location is in the Greater Toronto Area. All costs and expenses related to the holding of the Meeting of Lenders shall be deducted from the amounts received from the Borrower under the Loan Agreement as the Bare Trustee may, acting reasonably determine.

8.3 Notice of the time and place of each meeting of the Lenders along with a brief Agenda shall be given not less than 10 nor more than 50 days before the date of the meeting to each Lender. A Lender may in any manner waive notice of or otherwise consent to a meeting of Lenders.

8.4 A meeting of Lenders may be held without notice at any time and at any place if all the Lenders are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held so long as the Lenders present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8.5 The Chairman and Secretary of any meeting of Lenders shall be appointed by the Bare Trustee unless a Majority of Lenders decide otherwise.

8.6 The only persons entitled to be present at a meeting of Lenders shall be the Lenders or their duly-appointed proxies or representatives as contemplated herein. Any other person may be admitted to a Meeting of Lenders only on the invitation of the Chairman or with the consent of a Majority of Lenders.

8.7 A quorum for the transaction of business at any meeting of Lenders shall be those Lenders holding Thirty (30%) per cent or more of the Proportionate Share Percentage present in person, or a duly appointed proxyholder or representative for a Lender so entitled. For the sake of clarity, if a quorum is present at the opening of any meeting of Lenders, the Lenders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for a meeting of

Lenders, or within such reasonable time thereafter as the Lenders present may determine, the Lenders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business. If Meeting of Lenders is adjourned as aforesaid, then the Meeting of the Lenders arising from said adjournment shall have no quorum requirements.

8.8 Every Lender may appoint a proxyholder, or one or more alternate proxyholders, to attend and act as his or her representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the Lender or his attorney and shall be suitable to the Bare Trustee or the Bare Trustee's Solicitors, acting reasonably.

8.9 If two or more persons comprise a Lender or hold a Loan Interest jointly, any one of them present in person or duly represented at a meeting of Lenders may, in the absence of the other or others, vote the Voting Interest; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

8.10 At any meeting of Lenders every Lender shall be entitled to exercise votes equal to his or her respective Voting Interest.

8.11 At any Meeting of Lenders, every question shall be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a ballot, the Chairman shall be entitled to a second or casting vote.

8.12 Any question at a meeting of Lenders shall, at the discretion of the Chairman, be decided by a show of hands or a ballot. Upon a show of hands every Lender who is present and entitled to vote shall have such number of votes equal to his or her Voting Interest. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the Chairman that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Lenders upon the said question.

8.13 On any question proposed for consideration at a meeting of Lenders, and whether or not a show of hands has been taken thereon, the Chairman may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of his or her Voting Interest which he or she is entitled to vote at the meeting upon the question, to that number of votes and the result of the ballot, by simple majority of the Voting Interest so taken shall be the decision of the Lenders upon the said question.

8.14 The Chairman may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a

meeting of Lenders is adjourned for less than 30 days, it shall not be necessary to give notice of the resumption of the adjourned meeting, other than by announcement at the earlier meeting that is adjourned. If a meeting of Lenders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

8.15 Notwithstanding the foregoing, a resolution in writing signed by all the Lenders is as valid as if it had been passed at a meeting of Lenders. A resolution in writing, signed by fax and/or in counterpart by all the Lenders, is as valid as if a single copy thereof had been signed by all the Lenders.

## **PART 9**

### **LOAN IN DEFAULT**

9.1 The Bare Trustee shall give the Lenders written notice that a Material Event of Default has occurred (the "Default Notice") after becoming aware of the Material Event of Default.

9.2 If a Majority of the Lenders, in writing, do not dispute that a Material Event of Default has occurred within ten (10) Business Days of receipt of the Default Notice, then the Bare Trustee will promptly exercise whatever remedies that are available at law or under the Loan Agreement or Lenders Security (as applicable), as the Bare Trustee considers reasonable in the circumstances including institute the realization of the Loan, unless a Majority of the Lenders otherwise agree in writing. During any realization proceedings the Bare Trustee will provide a regular report on the status of the realization to the Lenders.

9.3 Notwithstanding anything to the contrary contained in this Agreement, the Bare Trustee may be permitted to take any action, initiate any steps or make any decision related to the Loan, the Loan Agreement and the Lenders Security, including enforcement thereof, that it considers to be reasonable in the circumstances.

## **PART 10**

### **RELIANCE ON EXPERTS**

10.1 The Bare Trustee shall be entitled to employ legal counsel, appraisers, accountants, or other experts (which experts have been approved by the Lenders by Ordinary Approval or by a Majority of Lenders) all at the Lenders' expense in proportion to their respective Proportionate Share Percentages, in connection with the performance of its duties under this Agreement, other than its standard administrative duties set out herein. Notwithstanding the foregoing, all of the parties hereto acknowledge and agree that unless the Bare Trustee agrees otherwise, any and all payments to be paid to the Bare Trustee shall be directed to be paid to the Bare Trustee's Solicitors. The Bare Trustee may rely and act upon the opinion or advice of such persons and shall not be responsible to the Lenders for any loss resulting from any action or non-action in accordance with such opinion or advice.

## PART 11

### NO WARRANTY OR LIABILITY

11.1 The Bare Trustee makes no representations, warranties or agreements with respect to the advisability, soundness, potential income, profitability, return, security of the Loan any other matter or aspect relating or pertaining to the Loan, the Property, the Loan Agreement, the Lender Security or the Borrower except as are expressly set out in this Agreement. **EACH OF THE LENDERS ACKNOWLEDGES AND AGREES THAT ITS PARTICIPATION IN THE LOAN IS AT ITS OWN RISK AND THAT IT IS THE SOLE OBLIGATION OF EACH LENDER TO INDEPENDENTLY INVESTIGATE AND SATISFY ITSELF AS TO ALL ASPECTS OF THE LOAN, THE PROPERTY, THE LOAN AGREEMENT, THE LENDER SECURITY AND THE BORROWER.**

11.2 The Bare Trustee shall not be liable to any Lender for any losses or damages suffered or incurred by any Lender as a result of any deficiency or loss upon realization of the Lender Security unless the same has been occasioned by the negligence or breach of this Agreement by the Bare Trustee.

## PART 12

### NOTICE

12.1 Any notice, offer, demand, acceptance or other communication (a "Communication") which may be given pursuant to or concerning this Agreement shall be in writing and may be given by personal service or may be given by prepaid first class mail mailed from anywhere within Canada to the respective party concerned at the address hereinafter appearing or at such other address of which written notice may then have been given pursuant to the provisions of this Section 12.1, and if so mailed the same shall be deemed to have been received on the fifth business day next following the date of such mailing provided, however, that if there shall occur any relevant work stoppage, work slowdown or other event which, on a reasonable view of the facts, can be expected to impede for a period of time the normal time of the delivery of the mails from the place where such Communication is posted to the place where the same is addressed, such period of five (5) business days shall be extended by a comparable period of time. Any Communication may also be given by consigning the same to a responsible courier service within Canada for prepaid delivery to the party concerned at the address to which the Communication may then be given by prepaid first class mail, and if so consigned such Communication shall be deemed to have been received by such party on the third day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of such consignment. Any Communication may also be given by transmitting by telefax number hereinafter appearing of which written notice may then have been given pursuant to the provisions of this Section 12.1, in which event such Communication shall be deemed to have been received by such party on the first day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of its transmittal. Any Communication which is deposited at the address to which the Communication may then be mailed shall be deemed to have been received on the first day, excluding Saturdays, Sundays and statutory holidays in



Toronto, next following the date of such deposit. Any Communication which is given by personal service shall be deemed to have been received on the date such Communication was given.

Any party who has given a Communication shall upon the request of the party to whom it was addressed provide promptly to such party one copy thereof.

The addresses and telefax numbers of the parties for the purposes of this Section 12.1 are as follows:

to the Bare Trustee: c/o Tier 1 Transaction Advisory Services Inc.  
3100 Steeles Avenue East, Suite# 902  
Markham, Ontario  
L3R 8T3

Attention: Mr. Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: 416-628-5597

and to the Lenders: As set forth in Schedule "A" attached hereto

## **PART 13**

### **TERMINATION OF APPOINTMENT OF BARE TRUSTEE**

13.1 The Bare Trustee may be relieved of its duties under this Agreement by a Majority of the Lenders.

13.2 If the Bare Trustee is relieved of its duties hereunder as contemplated in Section 13.1 hereof, it shall forthwith at its expense do such things and execute and deliver such documents as may be necessary to give effect to such termination and the appointment of a successor bare trustee to administer the Loan on behalf of the Lenders in accordance with this Agreement and shall deliver to the successor Administrator all documents and records in its possession or under its control relating to the Borrower, the Loan, the Property and the Lender Security and, if possible, to transfer the Lender Security to the successor Administrator.

The cost of the successor Bare Trustee shall be borne by the Lenders in proportion to the respective Proportionate Share Percentage outstanding to each of them from time to time.

## **PART 14**

### **GENERAL CONTRACT PROVISIONS**

14.1 If any part or provision of this Agreement is invalid or unenforceable it will be severed from this Agreement and the remainder shall be construed as if such invalid or unenforceable part or provision had been deleted from this Agreement.

14.2 Time shall be of the essence in this Agreement. Except as expressly set out in this Agreement, the computation of any period of time referred to in this Agreement shall exclude the first day and include the last day of such period. If the time limit for the performance or completion of any matter under this Agreement expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day. The time limit for performing or completing any matter under this Agreement may be extended or abridged by an agreement in writing by the parties.

14.3 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and shall enure to the benefit of and shall be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns, as the case may be.

14.4 In this Agreement, all references to the singular will be construed to include the plural where the context so admits, the masculine to include the feminine and neuter gender and, where necessary, a body corporate and vice versa.

14.5 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

14.6 The terms "this Agreement", "this Mortgage Participation Agreement", "this Syndicated Mortgage Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the schedules hereto and not to any particular article, section, paragraph, subparagraph, clause or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto. The parties hereto acknowledges that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

14.7 The provisions of this Agreement shall survive the execution and delivery of the Loan Agreement, the Lender Security and the funding of the Loan.

- 14.8 This Agreement shall remain in force until the earlier of the date upon which:
- (a) the Loan has been paid in full and the Lender Security discharged;
  - (b) the Lender Security for all of the Loans has been fully realized upon (including prosecution of covenants to pay and realization upon assets in connection therewith) and the proceeds of realization have been fully distributed among the Lenders;
  - (c) this Agreement is otherwise mutually terminated by the Bare Trustee and the Lenders by Ordinary Approval.

14.9 The parties hereto acknowledge and agree that facsimile signatures on this Agreement will be valid and binding as if this Agreement had been executed in original by the parties hereto, and receipt of this Agreement bearing a signature by facsimile transmission shall constitute delivery of this Agreement.

This Agreement may be executed (either by original or facsimile signature) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.10 The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

14.11 The Recitals hereof form an integral part of this Agreement.

14.12 Each Lender and the Bare Trustee shall upon the written request of another party to this agreement execute and deliver to such other party such further documents and assurances and do and cause to be done and performed all such further acts and things as are within its reasonable power to do and as are reasonably necessary or desirable in order to give full effect to this Agreement and the transactions contemplated by it.

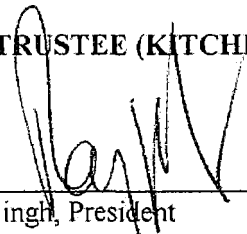
14.13 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and, except as stated in this Agreement and in the instruments and documents to be executed and delivered pursuant to this Agreement, contains all of the representations, undertakings and agreements of the parties. This Agreement supersedes all prior negotiations or agreements between the parties, whether written or oral, with respect to the subject matter of this Agreement.

14.14 The parties hereto, and each of them, hereby acknowledge that Nancy Elliott, Barrister & Solicitor (the "Firm") has acted for the Bare Trustee in connection with this Agreement, the Loan Agreement and the Lenders Security. The Lenders acknowledge that the Firm has advised and recommended to them that, because the Firm is acting for only the Bare Trustee as aforesaid, that each of the Lenders should obtain legal advice concerning the advisability of entering into this Agreement before executing it.

The parties have duly executed this Agreement as of the date first above written.

**MC TRUSTEE (KITCHENER) LTD.**

Per:

  
\_\_\_\_\_  
Raj Singh, President

I HAVE AUTHORITY TO BIND THE CORPORATION

**SIGNED, SEALED AND DELIVERED )**  
**in the presence of: )**

  
\_\_\_\_\_  
Witness Signature

Witness Name (Print): 

  
\_\_\_\_\_  
Investor Sig

Investor Name (Print): 

**SCHEDULE "B"**

**LEGAL DESCRIPTION OF LANDS**

**Legal Description:**

PIN: 22507-0109 LT  
LT 6 PL 655 KITCHENER; KITCHENER

**Municipal Description:**

169 Borden Avenue, Kitchener, Ontario

**SCHEDULE "C"**  
**LOAN AGREEMENT**



**SYNDICATED MORTGAGE PARTICIPATION AGREEMENT**

**BETWEEN:**

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED**

**AND:**

**2223947 ONTARIO LIMITED**



## **SYNDICATED MORTGAGE PARTICIPATION AGREEMENT**

**THIS AGREEMENT** made and effective as of September 28, 2012.

**BETWEEN:**

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED  
HERETO**

(herein individually referred to as a "Lender" and collectively, as "Lenders")

**AND:**

**2223947 ONTARIO LIMITED**, a company incorporated under  
the laws of the Province of Ontario,

(herein referred to as the "Bare Trustee")

**RECITALS:**

A. Each of the Lenders have agreed to participate in the Loan (as hereinafter defined) in accordance with the terms of this Mortgage Participation Agreement.

B. The Bare Trustee will be the holder of the Lender Security (as hereinafter defined) in trust for the Lenders according to their respective Proportionate Share Percentages (as hereinafter defined) and the Bare Trustee will administer the Loan, on behalf of the Lenders, in accordance with this Agreement.

C. Each of the Lenders and the Bare Trustee wish to enter into this Agreement to set out their respective rights, obligations and agreements with respect to the Loan.

**IN CONSIDERATION** of the mutual obligations of the Lenders and the Bare Trustee in this Agreement and other good and valuable consideration received by each of the Lenders from the Bare Trustee, the receipt and sufficiency of which is acknowledged, the parties hereto covenant and agree with each other as follows:

### **PART 1**

#### **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, the following terms have the following meanings: "Bare Trustee's Solicitors" means Nancy Elliott, Barrister & Solicitor, 5000 Yonge Street, Suite 1901, Toronto, Ontario, M2N 7E9, or such other law firm that the Bare Trustee may appoint subject to the Lender's right to appoint their solicitors by Ordinary Approval in accordance with this Agreement;

- (a) **"Borrower"** means Memory Care Investments (Oakville) Ltd., its successors and assigns;
- (b) **"Borrower's Liabilities"** has the same meaning as set forth in the Loan Agreement;
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (d) **"GAAP"** has the meaning given to it in Section 1.2 hereof;
- (e) **"Interest Rate"** means Eight (8%) per cent per annum calculated and payable as set forth in the Loan Agreement.
- (f) **"Interest Reserve Account"** means an interest reserve account to be established pursuant to the Loan Agreement and which shall be administered by the Bare Trustee from funds advanced under the Loan which, initially, should be the equivalent to the first year's worth of interest payable by the Borrower pursuant to the Loan Agreement as determined by the Bare Trustee, with the amount of said interest reserve account to be deposited into the Bare Trustee's Solicitors trust account;
- (g) **"Lands"** means the lands and premises more particularly described in Schedule "B" attached hereto;
- (h) **"Lender Security" or "Lenders Security"** means, in respect of the Loan, all security and documentation required of the Borrower by the Bare Trustee pursuant to the Loan Agreement, including the Mortgage;
- (i) **"Loan"** means the aggregate amount of all advances made from time to time under the Loan Agreement by the Bare Trustee, in trust for the Lenders, to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Bare Trustee;
- (j) **"Loan Agreement"** means a certain Loan Agreement dated as of September 28, 2012 by and between the Borrower and the Bare Trustee, a copy of which is attached as Schedule "C" hereto, as may be amended, supplemented or restated from time to time.
- (k) **"Loan Interest"** means each of the Lender's interest in the Borrower's Liabilities;
- (l) **"Major Decisions"** means the following decisions to be made by the Lenders in relation to the Loan:
  - (i) any change in the Interest Rate applicable to the Loan;
  - (ii) any increase in the amount of the Loan;
  - (iii) any change to the Borrower's entitlement to prepay the Loan;

- (iv) any change in the periodic payments or maturity date under the Loan from that set out in the Loan Agreement;
  - (v) any forgiveness of any money owing in respect of the Loan;
  - (vi) any agreement whereby money owing under the Loan is converted to shares or equity of the Borrower or to any other type of security;
  - (vii) any agreement permitting the Borrower to register any mortgage or other debt security as against the Lands, except as allowed under the Loan Agreement;
  - (viii) any cancellation or termination of any of the Lender Security;
  - (ix) any concession, forgiveness or waiver with regard to the payment of the Loan;
  - (x) the incurring of any liability in priority to the Loan except as set forth in the Loan Agreement.
- (m) **“Majority of Lenders”** means those Lenders, from time to time, holding or having more than 50.01% of the Proportionate Share Percentage of the Loan;
- (n) **“Material Event of Default”** means, in respect of the Loan, the “Events of Default” as defined and as set forth in the Loan Agreement.
- (o) **“Mortgage”** means, in respect of the Loan, the first mortgage registered, or to be registered against title to the Lands in favour of the Bare Trustee in the principal amount of up to \$12,800,000, and all amendments thereto;
- (p) **“Ordinary Approval”** means the approval of Lenders holding in the aggregate, more than 50.01 % of the Voting Interest;
- (q) **“Principal”** means, in respect of a Loan, all principal from time to time owing under the Loan;
- (r) **“Property”** means the Lands and all movable equipment, chattels and other personal property, revenues including without limitation all retail and parking revenues, licenses, leases, permits, approvals, and all other tangible or intangible property and all proceeds from any insurance or sales in respect of the foregoing owned by the Borrower or to which the Borrower is entitled;
- (s) **“Proportionate Share Percentage”** or **“Proportionate Share Percentages”** means, in respect of the Loan, the proportionate interest of each of the Lenders in respect of the Loan from time to time (expressed as a percentage), which shall be the percentage that the total outstanding advances made by each Lender is of the total of all advances made by all Lenders, as calculated by the Bare Trustee, acting reasonably, and as may be adjusted by the Bare Trustee, acting reasonably, and with the Proportionate Share

Percentages of all the Lenders set forth as of the date first above written in Schedule "D" attached hereto;

(t) "Protective Advance" means advances whether necessary or otherwise, for the protection or preservation of the Loan, the Property or other collateral or to avoid the probability or likelihood of losses to the Lenders under the Loan and the Lender Security, including without limitation advances to pay for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Property or other collateral or to discharge any liens, charges or encumbrances ranking in priority to the Lender Security as against the Property or other collateral;

(u) "Requisitioning Lenders" shall have the same meaning as set forth in Sub-Section 8.1(d) hereof; and

(v) "Voting Interest" means the number of votes of the Lenders, corresponding to their respective Proportionate Share Percentages but expressed as a whole number to two decimals places if the Bare Trustee, acting reasonably, believes to do so is appropriate under the circumstances, that each Lender has as set out in Schedule "D" attached hereto which may be subject to adjustments from time to time, by the Bare Trustee, acting reasonably.

1.2 Unless specifically provided to the contrary, all accounting and financial terms used in this Agreement shall be interpreted and applied in accordance with generally accepted accounting principles in Canada consistently applied as of the reference date of this Agreement ("GAAP"). Where the Canadian Institute of Chartered Accountants includes a statement in its Handbook on a method of accounting, such statement shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and subject to the immediately preceding sentence, references herein to "GAAP" shall be interpreted accordingly.

1.3 The following schedules (and any other supplementary schedules or exhibits referred to therein) are incorporated by reference in this Agreement and are deemed to form a part hereof:

Schedule "A" - List of Lenders (Address Information for Notices)

Schedule "B" - Legal Description of Lands

Schedule "C" - Loan Agreement

Schedule "D" - Lender's advances, Proportionate Share Percentage and Voting Interests.

## PART 2

### AGENCY APPOINTMENT AND LIABILITY

2.1 The Lenders hereby appoint the Bare Trustee as their administration agent for the purpose of administering the Loan and carrying out the Lenders' rights, powers and duties under this Agreement, the Loan Agreement and the Lenders Security and the Bare Trustee agrees to carry out and fulfill such appointment in a responsible manner.

2.2 If, in the course of carrying out its rights, powers and duties under this Agreement, the Bare Trustee is, in respect of the Loan, subject to any liability, losses, claims, costs or damages arising under or in relation to the Loan Agreement, the Loan or the Lender Security, the Lenders shall be responsible for same, in proportion to their respective Proportionate Share Percentage, unless same arises as a result of the negligence, misrepresentation or wilful default of the Bare Trustee or from matters arising out of the inaction of the Bare Trustee under this Agreement, the Loan Agreement or the Lenders Security or the actions of the Bare Trustee are beyond the scope of its authority under this Agreement, for which the Bare Trustee shall be solely responsible.

2.3 The Lenders appoint the Bare Trustee to hold the Lenders Security, the Loan and all proceeds received from the Borrower, either directly or indirectly, as bare trustee for the Lenders in accordance with their respective Proportionate Share Percentage.

2.4 The Bare Trustee shall:

(a) at all times comply with the provisions of this Agreement and follow the directions of the Majority of Lenders;

(b) act solely on the directions of the Majority of Lenders and not on the directions of an individual Lender; and,

(c) except as set forth in this Agreement, the Loan Agreement or the Lenders Security, not acquire or hold any property, incur any liability, undertake any obligation or perform any activity except on the directions of the Majority of Lenders.

2.5 The business and affairs of the Bare Trustee shall be managed by the board of directors of the Bare Trustee. Unless otherwise agreed by a Majority of the Lenders, the board of directors of the Bare Trustee shall consist of One (1) director being Raj Singh and Raj Singh shall also serve as President and Secretary of the Bare Trustee.

### **PART 3**

#### **LOAN ADVANCE AND PROTECTIVE ADVANCES**

3.1 The Lenders acknowledge, confirm and agree that the advances made by each of the Lenders and each Lender's respective Proportionate Share Percentage is as set forth in Schedule "D" attached hereto.

3.2 If the Lenders determine by Ordinary Approval that an expenditure is required as a Protective Advance, the Bare Trustee shall deliver to the Lenders a written request that same be made, accompanied by such written particulars of same as the Bare Trustee considers appropriate, acting reasonably, and a calculation of the each Lender's share of such Protective Advance based on its respective Proportionate Entitlement. The Lenders may, within ten (10) Business Days after receiving the Bare Trustee's request, pay to the Bare Trustee its

proportionate share as determined by the Bare Trustee, acting reasonably, of such Protective Advance. The Bare Trustee shall keep a record of all such Protective Advances made by the Lenders.

#### **PART 4**

##### **LOAN ENTITLEMENTS**

4.1 Subject to Section 4.3 hereof, the Lenders shall be entitled to receive, to the extent provided by proceeds received from the Borrower or pursuant to the Loan Agreement including the Interest Reserve Account, the repayment of their advances as set forth in Schedule "D" attached hereto with interest thereon at the Interest Rate plus any amounts payable to the Bare Trustee under the Loan Agreement in proportion to their respective Proportionate Share Percentages from time to time. Any partial repayment of the Loan or Borrower's Liabilities to the Lenders will be in accordance with the provisions set out in Loan Agreement or the Lenders Security.

4.2 Subject to Section 4.3 hereof, the Loan Interest of any of the Lenders shall not rank in priority to the Loan Interest of the other Lenders.

4.3 The proceeds of realization, insurance, expropriation and other compensation or other proceeds realized or paid under the Loan Agreement or the Lender Security including Principal with interest thereon in accordance with the Loan Agreement, in respect of the Loan shall be paid out by the Bare Trustee as follows:

- (a) first, by payment to each Lender, if applicable, who has made a Protective Advance, pro-rata, based on the Protective Advances made by any such Lenders; and,
- (b) the balance, by payment to each Lender, pro-rata in accordance with such Lender's respective Proportionate Share Percentages.

The Bare Trustee, acting reasonably, shall determine the above-noted pay-outs or distributions to the Lenders.

#### **PART 5**

##### **LENDER SECURITY**

5.1 The Lender Security shall be held and where applicable registered in the applicable registry in the name of the Bare Trustee. The Bare Trustee shall hold the Lender Security as bare trustee for and on behalf of the Lenders in accordance with their respective Proportionate Share Percentages.

5.2 The Bare Trustee will cause the Bare Trustee's Solicitors, to:

- (a) address its legal opinions in respect of the Lender Security to both the Lenders (if possible) and the Bare Trustee; and
- (b) provide each Lender with a document book containing executed copies of the Lender Security and all other material legal documents relating to the Loan (including Declarations of Trust) within a reasonable time after the first advance of the Loan.

If any Lender wishes to engage the services of its own legal counsel or other advisors in connection with the Loan or the Lender Security, the cost of such additional advice shall be at the cost of such Lender.

## **PART 6**

### **BARE TRUSTEE'S FUNCTIONS AND AUTHORITY**

6.1 Subject to the provisions of this Agreement, the Bare Trustee shall administer the Loan and the Lender Security as it deems advisable, consistent with reasonable administration practices and, without limiting the generality of the foregoing, shall perform the following duties:

- (a) make reasonable efforts to collect all payments due under the Loan;
- (b) forthwith give notices to the Borrower, its successors and assigns, tenants of the Property, if any, and others as are necessary to properly administer the Loan and the Borrower's Obligations under the Loan Agreement and the Lenders Security;
- (c) maintain proper records and accounts;
- (d) promptly inform each Lender of any default which has occurred under the Loan Agreement or Lender Security and of which it has knowledge and take such action as is required or permitted to be taken under this Agreement, the Loan Agreement or the Lenders Security save and except for the matters that require the Ordinary Approval of the Lenders under this Agreement; and,
- (e) agree to modifications of or waivers in respect of the Loan, approved by Ordinary Approval.

6.2 Notwithstanding the foregoing, the Bare Trustee shall not agree to or implement any Major Decisions unless same have been previously approved by an Ordinary Approval of the Lenders. When approved by an Ordinary Approval, such Major Decisions shall be binding on all Lenders; provided the Bare Trustee shall be entitled to execute all documentation necessary to subordinate the Mortgage and other security granted to the Bare Trustee/Lenders by the Borrower to any security granted by the Borrower to a construction lender for the purposes of constructing the condominium project at the Property and the Bare Trustee shall not be obligated to seek approval from the Lenders in this regard and such action shall not be deemed to constitute a Major Decision for the purposes of this Agreement.

6.3 The Bare Trustee shall deal equitably and in a non-discriminatory manner with the Lenders in carrying out its duties under this Agreement.

6.4 The Bare Trustee shall not have any duties or responsibilities in relation to the Loan or the Loan Interests, except as are set out in this Agreement.

6.5 The Borrower shall be instructed by the Bare Trustee to direct to the Bare Trustee all correspondence, communications, notices, statements and reports, requests for advances and other payments and all other matters whatsoever relating to the Loan, the Loan Agreement and the Lender Security.

## **PART 7**

### **REMITTANCE OF PAYMENTS**

7.1 The Bare Trustee shall receive all payments made by the Borrower under the Loan in trust for the Lenders in accordance with their respective Proportionate Share Percentages, subject to the provisions of this Agreement. At the option of the Bare Trustee, the Bare Trustee may direct the Borrower to may any payments under the Loan to the Bare Trustee's Solicitors, in trust. The Bare Trustee shall remit, or cause the Bare Trustee's Solicitors to remit, to the Lenders its respective share of such payments in accordance with this Agreement promptly after receipt of such funds. All funds received and processed by the Bare Trustee on behalf of the Lenders shall, if not otherwise deposited into the Trust Account of the Bare Trustee's Solicitors, be accounted for separately from the Bare Trustee's own funds, shall be processed through and/or held in a segregated account, and shall not be commingled with the Bare Trustee's own funds.

7.2 The Lenders acknowledge that the Bare Trustee is irrevocably authorized and directed to deduct and retain or pay from any payments received by it from the Borrower in respect of the Loan any amounts owing by a Lender to the Bare Trustee under this Agreement or paid by the Bare Trustee on behalf of such Lender on their behalf in fulfillment of the Lender's obligations hereunder.

## **PART 8**

### **LENDERS MEETINGS**

8.1 A Meeting of the Lenders shall be called in the following circumstances:

- (a) By the Bare Trustee, if there is a Default under the Loan Agreement which Default has not been cured as determined by the Bare Trustee, acting reasonably;



- (b) By the Bare Trustee, if a Major Decision is required to be made as determined by the Bare Trustee, acting reasonably;
- (c) By the Bare Trustee, if Lenders, in the aggregate, having or holding Proportionate Share Percentages of more than Ten (10%) per cent and such Lenders request that the Bare Trustee have a Meeting of the Lenders; and,
- (d) By the requisitioning Lenders if Lenders, holding more than ten (10%) per cent of Proportionate Share Percentages (the "Requisitioning Lenders") in writing requisition the Bare Trustee to hold a Meeting of Lenders and the Bare Trustee does not call a Meeting of the Lenders within Seven (7) days of receipt of such requisition.

Notwithstanding the foregoing, the Bare Trustee may call a Meeting of the Lenders at any time.

8.2 Meetings of Lenders shall be held at such location as determined by the Bare Trustee or the Requisitioning Lenders, as the case may be, in the Notice of the Meeting of Lenders provided such location is in the Greater Toronto Area. All costs and expenses related to the holding of the Meeting of Lenders shall be deducted from the amounts received from the Borrower under the Loan Agreement as the Bare Trustee may, acting reasonably determine.

8.3 Notice of the time and place of each meeting of the Lenders along with a brief Agenda shall be given not less than 10 nor more than 50 days before the date of the meeting to each Lender. A Lender may in any manner waive notice of or otherwise consent to a meeting of Lenders.

8.4 A meeting of Lenders may be held without notice at any time and at any place if all the Lenders are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held so long as the Lenders present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8.5 The Chairman and Secretary of any meeting of Lenders shall be appointed by the Bare Trustee unless a Majority of Lenders decide otherwise.

8.6 The only persons entitled to be present at a meeting of Lenders shall be the Lenders or their duly-appointed proxies or representatives as contemplated herein. Any other person may be admitted to a Meeting of Lenders only on the invitation of the Chairman or with the consent of a Majority of Lenders.

8.7 A quorum for the transaction of business at any meeting of Lenders shall be those Lenders holding Thirty (30%) per cent or more of the Proportionate Share Percentage present in person, or a duly appointed proxyholder or representative for a Lender so entitled. For the sake of clarity, if a quorum is present at the opening of any meeting of Lenders, the Lenders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for a meeting of

Lenders, or within such reasonable time thereafter as the Lenders present may determine, the Lenders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business. If Meeting of Lenders is adjourned as aforesaid, then the Meeting of the Lenders arising from said adjournment shall have no quorum requirements.

8.8 Every Lender may appoint a proxyholder, or one or more alternate proxyholders, to attend and act as his or her representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the Lender or his attorney and shall be suitable to the Bare Trustee or the Bare Trustee's Solicitors, acting reasonably.

8.9 If two or more persons comprise a Lender or hold a Loan Interest jointly, any one of them present in person or duly represented at a meeting of Lenders may, in the absence of the other or others, vote the Voting Interest; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

8.10 At any meeting of Lenders every Lender shall be entitled to exercise votes equal to his or her respective Voting Interest.

8.11 At any Meeting of Lenders, every question shall be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a ballot, the Chairman shall be entitled to a second or casting vote.

8.12 Any question at a meeting of Lenders shall, at the discretion of the Chairman, be decided by a show of hands or a ballot. Upon a show of hands every Lender who is present and entitled to vote shall have such number of votes equal to his or her Voting Interest. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the Chairman that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Lenders upon the said question.

8.13 On any question proposed for consideration at a meeting of Lenders, and whether or not a show of hands has been taken thereon, the Chairman may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of his or her Voting Interest which he or she is entitled to vote at the meeting upon the question, to that number of votes and the result of the ballot, by simple majority of the Voting Interest so taken shall be the decision of the Lenders upon the said question.

8.14 The Chairman may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a

meeting of Lenders is adjourned for less than 30 days, it shall not be necessary to give notice of the resumption of the adjourned meeting, other than by announcement at the earlier meeting that is adjourned. If a meeting of Lenders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

8.15 Notwithstanding the foregoing, a resolution in writing signed by all the Lenders is as valid as if it had been passed at a meeting of Lenders. A resolution in writing, signed by fax and/or in counterpart by all the Lenders, is as valid as if a single copy thereof had been signed by all the Lenders.

## **PART 9**

### **LOAN IN DEFAULT**

9.1 The Bare Trustee shall give the Lenders written notice that a Material Event of Default has occurred (the "Default Notice") after becoming aware of the Material Event of Default.

9.2 If a Majority of the Lenders, in writing, do not dispute that a Material Event of Default has occurred within ten (10) Business Days of receipt of the Default Notice, then the Bare Trustee will promptly exercise whatever remedies that are available at law or under the Loan Agreement or Lenders Security (as applicable), as the Bare Trustee considers reasonable in the circumstances including institute the realization of the Loan, unless a Majority of the Lenders otherwise agree in writing. During any realization proceedings the Bare Trustee will provide a regular report on the status of the realization to the Lenders.

9.3 Notwithstanding anything to the contrary contained in this Agreement, the Bare Trustee may be permitted to take any action, initiate any steps or make any decision related to the Loan, the Loan Agreement and the Lenders Security, including enforcement thereof, that it considers to be reasonable in the circumstances.

## **PART 10**

### **RELIANCE ON EXPERTS**

10.1 The Bare Trustee shall be entitled to employ legal counsel, appraisers, accountants, or other experts (which experts have been approved by the Lenders by Ordinary Approval or by a Majority of Lenders) all at the Lenders' expense in proportion to their respective Proportionate Share Percentages, in connection with the performance of its duties under this Agreement, other than its standard administrative duties set out herein. Notwithstanding the foregoing, all of the parties hereto acknowledge and agree that unless the Bare Trustee agrees otherwise, any and all payments to be paid to the Bare Trustee shall be directed to be paid to the Bare Trustee's Solicitors. The Bare Trustee may rely and act upon the opinion or advice of such persons and shall not be responsible to the Lenders for any loss resulting from any action or non-action in accordance with such opinion or advice.

## **PART 11**

### **NO WARRANTY OR LIABILITY**

11.1 The Bare Trustee makes no representations, warranties or agreements with respect to the advisability, soundness, potential income, profitability, return, security of the Loan any other matter or aspect relating or pertaining to the Loan, the Property, the Loan Agreement, the Lender Security or the Borrower except as are expressly set out in this Agreement. **EACH OF THE LENDERS ACKNOWLEDGES AND AGREES THAT ITS PARTICIPATION IN THE LOAN IS AT ITS OWN RISK AND THAT IT IS THE SOLE OBLIGATION OF EACH LENDER TO INDEPENDENTLY INVESTIGATE AND SATISFY ITSELF AS TO ALL ASPECTS OF THE LOAN, THE PROPERTY, THE LOAN AGREEMENT, THE LENDER SECURITY AND THE BORROWER.**

11.2 The Bare Trustee shall not be liable to any Lender for any losses or damages suffered or incurred by any Lender as a result of any deficiency or loss upon realization of the Lender Security unless the same has been occasioned by the negligence or breach of this Agreement by the Bare Trustee.

## **PART 12**

### **NOTICE**

12.1 Any notice, offer, demand, acceptance or other communication (a "Communication") which may be given pursuant to or concerning this Agreement shall be in writing and may be given by personal service or may be given by prepaid first class mail mailed from anywhere within Canada to the respective party concerned at the address hereinafter appearing or at such other address of which written notice may then have been given pursuant to the provisions of this Section 12.1, and if so mailed the same shall be deemed to have been received on the fifth business day next following the date of such mailing provided, however, that if there shall occur any relevant work stoppage, work slowdown or other event which, on a reasonable view of the facts, can be expected to impede for a period of time the normal time of the delivery of the mails from the place where such Communication is posted to the place where the same is addressed, such period of five (5) business days shall be extended by a comparable period of time. Any Communication may also be given by consigning the same to a responsible courier service within Canada for prepaid delivery to the party concerned at the address to which the Communication may then be given by prepaid first class mail, and if so consigned such Communication shall be deemed to have been received by such party on the third day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of such consignment. Any Communication may also be given by transmitting by telefax number hereinafter appearing of which written notice may then have been given pursuant to the provisions of this Section 12.1, in which event such Communication shall be deemed to have been received by such party on the first day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of its transmittal. Any Communication which is deposited at the address to which the Communication may then be mailed shall be deemed to have been received on the first day, excluding Saturdays, Sundays and statutory holidays in

Toronto, next following the date of such deposit. Any Communication which is given by personal service shall be deemed to have been received on the date such Communication was given.

Any party who has given a Communication shall upon the request of the party to whom it was addressed provide promptly to such party one copy thereof.

The addresses and telefax numbers of the parties for the purposes of this Section 12.1 are as follows:

to the Bare Trustee: c/o Tier 1 Transaction Advisory Services Inc.  
3100 Steeles Avenue East, Suite 902  
Markham, Ontario L3R 8T3

Attention: Mr. Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: 416-628-5597

and to the Lenders: As set forth in Schedule "A" attached hereto

## **PART 13**

### **TERMINATION OF APPOINTMENT OF BARE TRUSTEE**

13.1 The Bare Trustee may be relieved of its duties under this Agreement by a Majority of the Lenders.

13.2 If the Bare Trustee is relieved of its duties hereunder as contemplated in Section 13.1 hereof, it shall forthwith at its expense do such things and execute and deliver such documents as may be necessary to give effect to such termination and the appointment of a successor bare trustee to administer the Loan on behalf of the Lenders in accordance with this Agreement and shall deliver to the successor Administrator all documents and records in its possession or under its control relating to the Borrower, the Loan, the Property and the Lender Security and, if possible, to transfer the Lender Security to the successor Administrator.

The cost of the successor Bare Trustee shall be borne by the Lenders in proportion to the respective Proportionate Share Percentage outstanding to each of them from time to time.

## **PART 14**

### **GENERAL CONTRACT PROVISIONS**

14.1 If any part or provision of this Agreement is invalid or unenforceable it will be severed from this Agreement and the remainder shall be construed as if such invalid or unenforceable part or provision had been deleted from this Agreement.

14.2 Time shall be of the essence in this Agreement. Except as expressly set out in this Agreement, the computation of any period of time referred to in this Agreement shall exclude the first day and include the last day of such period. If the time limit for the performance or completion of any matter under this Agreement expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day. The time limit for performing or completing any matter under this Agreement may be extended or abridged by an agreement in writing by the parties.

14.3 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and shall enure to the benefit of and shall be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns, as the case may be.

14.4 In this Agreement, all references to the singular will be construed to include the plural where the context so admits, the masculine to include the feminine and neuter gender and, where necessary, a body corporate and vice versa.

14.5 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

14.6 The terms "this Agreement", "this Mortgage Participation Agreement", "this Syndicated Mortgage Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the schedules hereto and not to any particular article, section, paragraph, subparagraph, clause or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto. The parties hereto acknowledges that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

14.7 The provisions of this Agreement shall survive the execution and delivery of the Loan Agreement, the Lender Security and the funding of the Loan.

14.8 This Agreement shall remain in force until the earlier of the date upon which:

- (a) the Loan has been paid in full and the Lender Security discharged;
- (b) the Lender Security for all of the Loans has been fully realized upon (including prosecution of covenants to pay and realization upon assets in connection therewith) and the proceeds of realization have been fully distributed among the Lenders;
- (c) this Agreement is otherwise mutually terminated by the Bare Trustee and the Lenders by Ordinary Approval.

14.9 The parties hereto acknowledge and agree that facsimile signatures on this Agreement will be valid and binding as if this Agreement had been executed in original by the parties hereto, and receipt of this Agreement bearing a signature by facsimile transmission shall constitute delivery of this Agreement.

This Agreement may be executed (either by original or facsimile signature) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.10 The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

14.11 The Recitals hereof form an integral part of this Agreement.

14.12 Each Lender and the Bare Trustee shall upon the written request of another party to this agreement execute and deliver to such other party such further documents and assurances and do and cause to be done and performed all such further acts and things as are within its reasonable power to do and as are reasonably necessary or desirable in order to give full effect to this Agreement and the transactions contemplated by it.

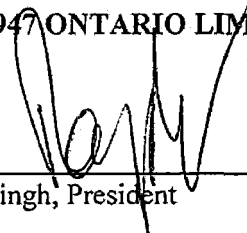
14.13 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and, except as stated in this Agreement and in the instruments and documents to be executed and delivered pursuant to this Agreement, contains all of the representations, undertakings and agreements of the parties. This Agreement supersedes all prior negotiations or agreements between the parties, whether written or oral, with respect to the subject matter of this Agreement.

14.14 The parties hereto, and each of them, hereby acknowledge that Nancy Elliott, Barrister & Solicitor (the "Firm") has acted for the Bare Trustee in connection with this Agreement, the Loan Agreement and the Lenders Security. The Lenders acknowledge that the Firm has advised and recommended to them that, because the Firm is acting for only the Bare Trustee as aforesaid, that each of the Lenders should obtain legal advice concerning the advisability of entering into this Agreement before executing it.

The parties have duly executed this Agreement as of the date first above written.



2223947 ONTARIO LIMITED


Per:

  
\_\_\_\_\_  
Raj Singh, President

I HAVE AUTHORITY TO BIND THE CORPORATION

SIGNED, SEALED AND DELIVERED )  
in the presence of: )

  
\_\_\_\_\_  
Witness Signature )  
Witness Name (Print): )  


  
\_\_\_\_\_  
Investor Signature )  
Investor Name (Print): 1884871 Ontario Limited



**SCHEDULE "B"**

**LEGAL DESCRIPTION OF LANDS**

**109 Garden Drive, Oakville, Ontario**

Firstly:

PIN: 24821-0111 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
AS IN 333503 EXCEPT THE EASEMENT THEREIN; S/T TW22975  
OAKVILLE/TRAFALGAR;

Secondly:

PIN: 24821-0112 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
PART 2 & 3, 20R6837; S/T TW22975, TW23033 OAKVILLE/TRAFALGAR;

**103 Garden Drive, Oakville, Ontario**

PIN: 24821-0112 (LT) - PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET,  
PART 2 & 3, 20R6837; S/T TW22975, TW23033  
OAKVILLE/TRAFALGAR

**SCHEDULE "C"**  
**LOAN AGREEMENT**



**SYNDICATED MORTGAGE PARTICIPATION AGREEMENT**

**BETWEEN:**

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED**

**AND:**

**2223947 ONTARIO LIMITED**

## SYNDICATED MORTGAGE PARTICIPATION AGREEMENT

THIS AGREEMENT made and effective as of May 1, 2013.

**BETWEEN:**

**THOSE PARTIES LISTED IN SCHEDULE "A" ATTACHED  
HERETO**

(herein individually referred to as a "Lender" and collectively, as "Lenders")

**AND:**

**2223947 ONTARIO LIMITED**, a company incorporated under  
the laws of the Province of Ontario,

(herein referred to as the "Bare Trustee")

**RECITALS:**

A. Each of the Lenders have agreed to participate in the Loan (as hereinafter defined) in accordance with the terms of this Mortgage Participation Agreement.

B. The Bare Trustee will be the holder of the Lender Security (as hereinafter defined) in trust for the Lenders according to their respective Proportionate Share Percentages (as hereinafter defined) and the Bare Trustee will administer the Loan, on behalf of the Lenders, in accordance with this Agreement.

C. Each of the Lenders and the Bare Trustee wish to enter into this Agreement to set out their respective rights, obligations and agreements with respect to the Loan.

**IN CONSIDERATION** of the mutual obligations of the Lenders and the Bare Trustee in this Agreement and other good and valuable consideration received by each of the Lenders from the Bare Trustee, the receipt and sufficiency of which is acknowledged, the parties hereto covenant and agree with each other as follows:

### **PART 1**

#### **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, the following terms have the following meanings: "**Bare Trustee's Solicitors**" means Nancy Elliott, Barrister & Solicitor, 5000 Yonge Street, Suite 1901, Toronto, Ontario, M2N 7E9, or such other law firm that the Bare Trustee may appoint subject to the Lender's right to appoint their solicitors by Ordinary Approval in accordance with this Agreement;

- (a) **"Borrower"** means 1703858 Ontario Ltd., its successors and assigns;
- (b) **"Borrower's Liabilities"** has the same meaning as set forth in the Loan Agreement;
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (d) **"GAAP"** has the meaning given to it in Section 1.2 hereof;
- (e) **"Interest Rate"** means Eight (8%) per cent per annum calculated and payable as set forth in the Loan Agreement.
- (f) **"Interest Reserve Account"** means an interest reserve account to be established pursuant to the Loan Agreement and which shall be administered by the Bare Trustee from funds advanced under the Loan which, initially, should be the equivalent to the first year's worth of interest payable by the Borrower pursuant to the Loan Agreement as determined by the Bare Trustee, with the amount of said interest reserve account to be deposited into the Bare Trustee's Solicitors trust account;
- (g) **"Lands"** means the lands and premises more particularly described in Schedule "B" attached hereto;
- (h) **"Lender Security" or "Lenders Security"** means, in respect of the Loan, all security and documentation required of the Borrower by the Bare Trustee pursuant to the Loan Agreement, including the Mortgage;
- (i) **"Loan"** means the aggregate amount of all advances made from time to time under the Loan Agreement by the Bare Trustee, in trust for the Lenders, to the Borrower, less the amount, if any, repaid from time to time by the Borrower to the Bare Trustee;
- (j) **"Loan Agreement"** means a certain Loan Agreement dated as of May 1, 2013 by and between the Borrower and the Bare Trustee, a copy of which is attached as Schedule "C" hereto, as may be amended, supplemented or restated from time to time.
- (k) **"Loan Interest"** means each of the Lender's interest in the Borrower's Liabilities;
- (l) **"Major Decisions"** means the following decisions to be made by the Lenders in relation to the Loan:
  - (i) any change in the Interest Rate applicable to the Loan;
  - (ii) any increase in the amount of the Loan;
  - (iii) any change to the Borrower's entitlement to prepay the Loan;

- (iv) any change in the periodic payments or maturity date under the Loan from that set out in the Loan Agreement;
  - (v) any forgiveness of any money owing in respect of the Loan;
  - (vi) any agreement whereby money owing under the Loan is converted to shares or equity of the Borrower or to any other type of security;
  - (vii) any agreement permitting the Borrower to register any mortgage or other debt security as against the Lands, except as allowed under the Loan Agreement;
  - (viii) any cancellation or termination of any of the Lender Security;
  - (ix) any concession, forgiveness or waiver with regard to the payment of the Loan;
  - (x) the incurring of any liability in priority to the Loan except as set forth in the Loan Agreement.
- (m) **“Majority of Lenders”** means those Lenders, from time to time, holding or having more than 50.01% of the Proportionate Share Percentage of the Loan;
- (n) **“Material Event of Default”** means, in respect of the Loan, the “Events of Default” as defined and as set forth in the Loan Agreement.
- (o) **“Mortgage”** means, in respect of the Loan, the first mortgage registered, or to be registered against title to the Lands in favour of the Bare Trustee in the principal amount of up to \$12,800,000, and all amendments thereto;
- (p) **“Ordinary Approval”** means the approval of Lenders holding in the aggregate, more than 50.01 % of the Voting Interest;
- (q) **“Principal”** means, in respect of a Loan, all principal from time to time owing under the Loan;
- (r) **“Property”** means the Lands and all movable equipment, chattels and other personal property, revenues including without limitation all retail and parking revenues, licenses, leases, permits, approvals, and all other tangible or intangible property and all proceeds from any insurance or sales in respect of the foregoing owned by the Borrower or to which the Borrower is entitled;
- (s) **“Proportionate Share Percentage”** or **“Proportionate Share Percentages”** means, in respect of the Loan, the proportionate interest of each of the Lenders in respect of the Loan from time to time (expressed as a percentage), which shall be the percentage that the total outstanding advances made by each Lender is of the total of all advances made by all Lenders, as calculated by the Bare Trustee, acting reasonably, and as may be adjusted by the Bare Trustee, acting reasonably, and with the Proportionate Share

Percentages of all the Lenders set forth as of the date first above written in Schedule "D" attached hereto;

(t) "Protective Advance" means advances whether necessary or otherwise, for the protection or preservation of the Loan, the Property or other collateral or to avoid the probability or likelihood of losses to the Lenders under the Loan and the Lender Security, including without limitation advances to pay for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Property or other collateral or to discharge any liens, charges or encumbrances ranking in priority to the Lender Security as against the Property or other collateral;

(u) "Requisitioning Lenders" shall have the same meaning as set forth in Sub-Section 8.1(d) hereof; and

(v) "Voting Interest" means the number of votes of the Lenders, corresponding to their respective Proportionate Share Percentages but expressed as a whole number to two decimal places if the Bare Trustee, acting reasonably, believes to do so is appropriate under the circumstances, that each Lender has as set out in Schedule "D" attached hereto which may be subject to adjustments from time to time, by the Bare Trustee, acting reasonably.

1.2 Unless specifically provided to the contrary, all accounting and financial terms used in this Agreement shall be interpreted and applied in accordance with generally accepted accounting principles in Canada consistently applied as of the reference date of this Agreement ("GAAP"). Where the Canadian Institute of Chartered Accountants includes a statement in its Handbook on a method of accounting, such statement shall be regarded as the only generally accepted accounting principle applicable to the circumstances that it covers and subject to the immediately preceding sentence, references herein to "GAAP" shall be interpreted accordingly.

1.3 The following schedules (and any other supplementary schedules or exhibits referred to therein) are incorporated by reference in this Agreement and are deemed to form a part hereof:

Schedule "A" - List of Lenders (Address Information for Notices)

Schedule "B" - Legal Description of Lands

Schedule "C" - Loan Agreement

Schedule "D" - Lender's advances, Proportionate Share Percentage and Voting Interests.

## PART 2

### AGENCY APPOINTMENT AND LIABILITY

2.1 The Lenders hereby appoint the Bare Trustee as their administration agent for the purpose of administering the Loan and carrying out the Lenders' rights, powers and duties under this Agreement, the Loan Agreement and the Lenders Security and the Bare Trustee agrees to carry out and fulfill such appointment in a responsible manner.



2.2 If, in the course of carrying out its rights, powers and duties under this Agreement, the Bare Trustee is, in respect of the Loan, subject to any liability, losses, claims, costs or damages arising under or in relation to the Loan Agreement, the Loan or the Lender Security, the Lenders shall be responsible for same, in proportion to their respective Proportionate Share Percentage, unless same arises as a result of the negligence, misrepresentation or wilful default of the Bare Trustee or from matters arising out of the inaction of the Bare Trustee under this Agreement, the Loan Agreement or the Lenders Security or the actions of the Bare Trustee are beyond the scope of its authority under this Agreement, for which the Bare Trustee shall be solely responsible.

2.3 The Lenders appoint the Bare Trustee to hold the Lenders Security, the Loan and all proceeds received from the Borrower, either directly or indirectly, as bare trustee for the Lenders in accordance with their respective Proportionate Share Percentage.

2.4 The Bare Trustee shall:

- (a) at all times comply with the provisions of this Agreement and follow the directions of the Majority of Lenders;
- (b) act solely on the directions of the Majority of Lenders and not on the directions of an individual Lender; and,
- (c) except as set forth in this Agreement, the Loan Agreement or the Lenders Security, not acquire or hold any property, incur any liability, undertake any obligation or perform any activity except on the directions of the Majority of Lenders.

2.5 The business and affairs of the Bare Trustee shall be managed by the board of directors of the Bare Trustee. Unless otherwise agreed by a Majority of the Lenders, the board of directors of the Bare Trustee shall consist of One (1) director being Raj Singh and Raj Singh shall also serve as President and Secretary of the Bare Trustee.

### **PART 3**

#### **LOAN ADVANCE AND PROTECTIVE ADVANCES**

3.1 The Lenders acknowledge, confirm and agree that the advances made by each of the Lenders and each Lender's respective Proportionate Share Percentage is as set forth in Schedule "D" attached hereto.

3.2 If the Lenders determine by Ordinary Approval that an expenditure is required as a Protective Advance, the Bare Trustee shall deliver to the Lenders a written request that same be made, accompanied by such written particulars of same as the Bare Trustee considers appropriate, acting reasonably, and a calculation of the each Lender's share of such Protective Advance based on its respective Proportionate Entitlement. The Lenders may, within ten (10) Business Days after receiving the Bare Trustee's request, pay to the Bare Trustee its

proportionate share as determined by the Bare Trustee, acting reasonably, of such Protective Advance. The Bare Trustee shall keep a record of all such Protective Advances made by the Lenders.

#### **PART 4**

##### **LOAN ENTITLEMENTS**

4.1 Subject to Section 4.3 hereof, the Lenders shall be entitled to receive, to the extent provided by proceeds received from the Borrower or pursuant to the Loan Agreement including the Interest Reserve Account, the repayment of their advances as set forth in Schedule "D" attached hereto with interest thereon at the Interest Rate plus any amounts payable to the Bare Trustee under the Loan Agreement in proportion to their respective Proportionate Share Percentages from time to time. Any partial repayment of the Loan or Borrower's Liabilities to the Lenders will be in accordance with the provisions set out in Loan Agreement or the Lenders Security.

4.2 Subject to Section 4.3 hereof, the Loan Interest of any of the Lenders shall not rank in priority to the Loan Interest of the other Lenders.

4.3 The proceeds of realization, insurance, expropriation and other compensation or other proceeds realized or paid under the Loan Agreement or the Lender Security including Principal with interest thereon in accordance with the Loan Agreement, in respect of the Loan shall be paid out by the Bare Trustee as follows:

- (a) first, by payment to each Lender, if applicable, who has made a Protective Advance, pro-rata, based on the Protective Advances made by any such Lenders; and,
- (b) the balance, by payment to each Lender, pro-rata in accordance with such Lender's respective Proportionate Share Percentages.

The Bare Trustee, acting reasonably, shall determine the above-noted pay-outs or distributions to the Lenders.

#### **PART 5**

##### **LENDER SECURITY**

5.1 The Lender Security shall be held and where applicable registered in the applicable registry in the name of the Bare Trustee. The Bare Trustee shall hold the Lender Security as bare trustee for and on behalf of the Lenders in accordance with their respective Proportionate Share Percentages.

- 5.2 The Bare Trustee will cause the Bare Trustee's Solicitors, to:
- (a) address its legal opinions in respect of the Lender Security to both the Lenders (if possible) and the Bare Trustee; and
  - (b) provide each Lender with a document book containing executed copies of the Lender Security and all other material legal documents relating to the Loan (including Declarations of Trust) within a reasonable time after the first advance of the Loan.

If any Lender wishes to engage the services of its own legal counsel or other advisors in connection with the Loan or the Lender Security, the cost of such additional advice shall be at the cost of such Lender.

## **PART 6**

### **BARE TRUSTEE'S FUNCTIONS AND AUTHORITY**

6.1 Subject to the provisions of this Agreement, the Bare Trustee shall administer the Loan and the Lender Security as it deems advisable, consistent with reasonable administration practices and, without limiting the generality of the foregoing, shall perform the following duties:

- (a) make reasonable efforts to collect all payments due under the Loan;
- (b) forthwith give notices to the Borrower, its successors and assigns, tenants of the Property, if any, and others as are necessary to properly administer the Loan and the Borrower's Obligations under the Loan Agreement and the Lenders Security;
- (c) maintain proper records and accounts;
- (d) promptly inform each Lender of any default which has occurred under the Loan Agreement or Lender Security and of which it has knowledge and take such action as is required or permitted to be taken under this Agreement, the Loan Agreement or the Lenders Security save and except for the matters that require the Ordinary Approval of the Lenders under this Agreement; and,
- (e) agree to modifications of or waivers in respect of the Loan, approved by Ordinary Approval.

6.2 Notwithstanding the foregoing, the Bare Trustee shall not agree to or implement any Major Decisions unless same have been previously approved by an Ordinary Approval of the Lenders. When approved by an Ordinary Approval, such Major Decisions shall be binding on all Lenders; provided the Bare Trustee shall be entitled to execute all documentation necessary to subordinate the Mortgage and other security granted to the Bare Trustee/Lenders by the Borrower to any security granted by the Borrower to a construction lender for the purposes of constructing the condominium project at the Property and the Bare Trustee shall not be obligated

to seek approval from the Lenders in this regard and such action shall not be deemed to constitute a Major Decision for the purposes of this Agreement.

6.3 The Bare Trustee shall deal equitably and in a non-discriminatory manner with the Lenders in carrying out its duties under this Agreement.

6.4 The Bare Trustee shall not have any duties or responsibilities in relation to the Loan or the Loan Interests, except as are set out in this Agreement.

6.5 The Borrower shall be instructed by the Bare Trustee to direct to the Bare Trustee all correspondence, communications, notices, statements and reports, requests for advances and other payments and all other matters whatsoever relating to the Loan, the Loan Agreement and the Lender Security.

## **PART 7**

### **REMITTANCE OF PAYMENTS**

7.1 The Bare Trustee shall receive all payments made by the Borrower under the Loan in trust for the Lenders in accordance with their respective Proportionate Share Percentages, subject to the provisions of this Agreement. At the option of the Bare Trustee, the Bare Trustee may direct the Borrower to pay any payments under the Loan to the Bare Trustee's Solicitors, in trust. The Bare Trustee shall remit, or cause the Bare Trustee's Solicitors to remit, to the Lenders its respective share of such payments in accordance with this Agreement promptly after receipt of such funds. All funds received and processed by the Bare Trustee on behalf of the Lenders shall, if not otherwise deposited into the Trust Account of the Bare Trustee's Solicitors, be accounted for separately from the Bare Trustee's own funds, shall be processed through and/or held in a segregated account, and shall not be commingled with the Bare Trustee's own funds.

7.2 The Lenders acknowledge that the Bare Trustee is irrevocably authorized and directed to deduct and retain or pay from any payments received by it from the Borrower in respect of the Loan any amounts owing by a Lender to the Bare Trustee under this Agreement or paid by the Bare Trustee on behalf of such Lender on their behalf in fulfillment of the Lender's obligations hereunder.

## **PART 8**

### **LENDERS MEETINGS**

8.1 A Meeting of the Lenders shall be called in the following circumstances:

- (a) By the Bare Trustee, if there is a Default under the Loan Agreement which Default has not been cured as determined by the Bare Trustee, acting reasonably;

- (b) By the Bare Trustee, if a Major Decision is required to be made as determined by the Bare Trustee, acting reasonably;
- (c) By the Bare Trustee, if Lenders, in the aggregate, having or holding Proportionate Share Percentages of more than Ten (10%) per cent and such Lenders request that the Bare Trustee have a Meeting of the Lenders; and,
- (d) By the requisitioning Lenders if Lenders, holding more than ten (10%) per cent of Proportionate Share Percentages (the "Requisitioning Lenders") in writing requisition the Bare Trustee to hold a Meeting of Lenders and the Bare Trustee does not call a Meeting of the Lenders within Seven (7) days of receipt of such requisition.

Notwithstanding the foregoing, the Bare Trustee may call a Meeting of the Lenders at any time.

8.2 Meetings of Lenders shall be held at such location as determined by the Bare Trustee or the Requisitioning Lenders, as the case may be, in the Notice of the Meeting of Lenders provided such location is in the Greater Toronto Area. All costs and expenses related to the holding of the Meeting of Lenders shall be deducted from the amounts received from the Borrower under the Loan Agreement as the Bare Trustee may, acting reasonably determine.

8.3 Notice of the time and place of each meeting of the Lenders along with a brief Agenda shall be given not less than 10 nor more than 50 days before the date of the meeting to each Lender. A Lender may in any manner waive notice of or otherwise consent to a meeting of Lenders.

8.4 A meeting of Lenders may be held without notice at any time and at any place if all the Lenders are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held so long as the Lenders present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

8.5 The Chairman and Secretary of any meeting of Lenders shall be appointed by the Bare Trustee unless a Majority of Lenders decide otherwise.

8.6 The only persons entitled to be present at a meeting of Lenders shall be the Lenders or their duly-appointed proxies or representatives as contemplated herein. Any other person may be admitted to a Meeting of Lenders only on the invitation of the Chairman or with the consent of a Majority of Lenders.

8.7 A quorum for the transaction of business at any meeting of Lenders shall be those Lenders holding Thirty (30%) per cent or more of the Proportionate Share Percentage present in person, or a duly appointed proxyholder or representative for a Lender so entitled. For the sake of clarity, if a quorum is present at the opening of any meeting of Lenders, the Lenders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the time appointed for a meeting of

Lenders, or within such reasonable time thereafter as the Lenders present may determine, the Lenders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business. If Meeting of Lenders is adjourned as aforesaid, then the Meeting of the Lenders arising from said adjournment shall have no quorum requirements.

8.8 Every Lender may appoint a proxyholder, or one or more alternate proxyholders, to attend and act as his or her representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the Lender or his attorney and shall be suitable to the Bare Trustee or the Bare Trustee's Solicitors, acting reasonably.

8.9 If two or more persons comprise a Lender or hold a Loan Interest jointly, any one of them present in person or duly represented at a meeting of Lenders may, in the absence of the other or others, vote the Voting Interest; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

8.10 At any meeting of Lenders every Lender shall be entitled to exercise votes equal to his or her respective Voting Interest.

8.11 At any Meeting of Lenders, every question shall be determined by the majority of the votes cast on the question. In case of an equality of votes either upon a show of hands or upon a ballot, the Chairman shall be entitled to a second or casting vote.

8.12 Any question at a meeting of Lenders shall, at the discretion of the Chairman, be decided by a show of hands or a ballot. Upon a show of hands every Lender who is present and entitled to vote shall have such number of votes equal to his or her Voting Interest. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the Chairman that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Lenders upon the said question.

8.13 On any question proposed for consideration at a meeting of Lenders, and whether or not a show of hands has been taken thereon, the Chairman may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the Chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of his or her Voting Interest which he or she is entitled to vote at the meeting upon the question, to that number of votes and the result of the ballot, by simple majority of the Voting Interest so taken shall be the decision of the Lenders upon the said question.

8.14 The Chairman may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a

meeting of Lenders is adjourned for less than 30 days, it shall not be necessary to give notice of the resumption of the adjourned meeting, other than by announcement at the earlier meeting that is adjourned. If a meeting of Lenders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

8.15 Notwithstanding the foregoing, a resolution in writing signed by all the Lenders is as valid as if it had been passed at a meeting of Lenders. A resolution in writing, signed by fax and/or in counterpart by all the Lenders, is as valid as if a single copy thereof had been signed by all the Lenders.

## **PART 9**

### **LOAN IN DEFAULT**

9.1 The Bare Trustee shall give the Lenders written notice that a Material Event of Default has occurred (the "Default Notice") after becoming aware of the Material Event of Default.

9.2 If a Majority of the Lenders, in writing, do not dispute that a Material Event of Default has occurred within ten (10) Business Days of receipt of the Default Notice, then the Bare Trustee will promptly exercise whatever remedies that are available at law or under the Loan Agreement or Lenders Security (as applicable), as the Bare Trustee considers reasonable in the circumstances including institute the realization of the Loan, unless a Majority of the Lenders otherwise agree in writing. During any realization proceedings the Bare Trustee will provide a regular report on the status of the realization to the Lenders.

9.3 Notwithstanding anything to the contrary contained in this Agreement, the Bare Trustee may be permitted to take any action, initiate any steps or make any decision related to the Loan, the Loan Agreement and the Lenders Security, including enforcement thereof, that it considers to be reasonable in the circumstances.

## **PART 10**

### **RELIANCE ON EXPERTS**

10.1 The Bare Trustee shall be entitled to employ legal counsel, appraisers, accountants, or other experts (which experts have been approved by the Lenders by Ordinary Approval or by a Majority of Lenders) all at the Lenders' expense in proportion to their respective Proportionate Share Percentages, in connection with the performance of its duties under this Agreement, other than its standard administrative duties set out herein. Notwithstanding the foregoing, all of the parties hereto acknowledge and agree that unless the Bare Trustee agrees otherwise, any and all payments to be paid to the Bare Trustee shall be directed to be paid to the Bare Trustee's Solicitors. The Bare Trustee may rely and act upon the opinion or advice of such persons and shall not be responsible to the Lenders for any loss resulting from any action or non-action in accordance with such opinion or advice.

## **PART 11**

### **NO WARRANTY OR LIABILITY**

11.1 The Bare Trustee makes no representations, warranties or agreements with respect to the advisability, soundness, potential income, profitability, return, security of the Loan any other matter or aspect relating or pertaining to the Loan, the Property, the Loan Agreement, the Lender Security or the Borrower except as are expressly set out in this Agreement. **EACH OF THE LENDERS ACKNOWLEDGES AND AGREES THAT ITS PARTICIPATION IN THE LOAN IS AT ITS OWN RISK AND THAT IT IS THE SOLE OBLIGATION OF EACH LENDER TO INDEPENDENTLY INVESTIGATE AND SATISFY ITSELF AS TO ALL ASPECTS OF THE LOAN, THE PROPERTY, THE LOAN AGREEMENT, THE LENDER SECURITY AND THE BORROWER.**

11.2 The Bare Trustee shall not be liable to any Lender for any losses or damages suffered or incurred by any Lender as a result of any deficiency or loss upon realization of the Lender Security unless the same has been occasioned by the negligence or breach of this Agreement by the Bare Trustee.

## **PART 12**

### **NOTICE**

12.1 Any notice, offer, demand, acceptance or other communication (a "Communication") which may be given pursuant to or concerning this Agreement shall be in writing and may be given by personal service or may be given by prepaid first class mail mailed from anywhere within Canada to the respective party concerned at the address hereinafter appearing or at such other address of which written notice may then have been given pursuant to the provisions of this Section 12.1, and if so mailed the same shall be deemed to have been received on the fifth business day next following the date of such mailing provided, however, that if there shall occur any relevant work stoppage, work slowdown or other event which, on a reasonable view of the facts, can be expected to impede for a period of time the normal time of the delivery of the mails from the place where such Communication is posted to the place where the same is addressed, such period of five (5) business days shall be extended by a comparable period of time. Any Communication may also be given by consigning the same to a responsible courier service within Canada for prepaid delivery to the party concerned at the address to which the Communication may then be given by prepaid first class mail, and if so consigned such Communication shall be deemed to have been received by such party on the third day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of such consignment. Any Communication may also be given by transmitting by telefax number hereinafter appearing of which written notice may then have been given pursuant to the provisions of this Section 12.1, in which event such Communication shall be deemed to have been received by such party on the first day, excluding Saturdays, Sundays and statutory holidays in Toronto, next following the date of its transmittal. Any Communication which is deposited at the address to which the Communication may then be mailed shall be deemed to have been received on the first day, excluding Saturdays, Sundays and statutory holidays in



Toronto, next following the date of such deposit. Any Communication which is given by personal service shall be deemed to have been received on the date such Communication was given.

Any party who has given a Communication shall upon the request of the party to whom it was addressed provide promptly to such party one copy thereof.

The addresses and telefax numbers of the parties for the purposes of this Section 12.1 are as follows:

to the Bare Trustee: c/o Tier 1 Transaction Advisory Services Inc.  
3100 Steeles Avenue East, Suite #902  
Markham, Ontario L3R 8T3

Attention: Mr. Raj Singh  
Fax Number: 416-218-0236

with a copy to:

Nancy Elliott, Barrister & Solicitor  
5000 Yonge Street  
Suite 1901  
Toronto, Ontario  
M2N 7E9

Attention: Ms. Nancy Elliott  
Fax Number: 416-628-5597

and to the Lenders: As set forth in Schedule "A" attached hereto

## **PART 13**

### **TERMINATION OF APPOINTMENT OF BARE TRUSTEE**

13.1 The Bare Trustee may be relieved of its duties under this Agreement by a Majority of the Lenders.

13.2 If the Bare Trustee is relieved of its duties hereunder as contemplated in Section 13.1 hereof, it shall forthwith at its expense do such things and execute and deliver such documents as may be necessary to give effect to such termination and the appointment of a successor bare trustee to administer the Loan on behalf of the Lenders in accordance with this Agreement and shall deliver to the successor Administrator all documents and records in its possession or under its control relating to the Borrower, the Loan, the Property and the Lender Security and, if possible, to transfer the Lender Security to the successor Administrator.

The cost of the successor Bare Trustee shall be borne by the Lenders in proportion to the respective Proportionate Share Percentage outstanding to each of them from time to time.

## **PART 14**

### **GENERAL CONTRACT PROVISIONS**

14.1 If any part or provision of this Agreement is invalid or unenforceable it will be severed from this Agreement and the remainder shall be construed as if such invalid or unenforceable part or provision had been deleted from this Agreement.

14.2 Time shall be of the essence in this Agreement. Except as expressly set out in this Agreement, the computation of any period of time referred to in this Agreement shall exclude the first day and include the last day of such period. If the time limit for the performance or completion of any matter under this Agreement expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day. The time limit for performing or completing any matter under this Agreement may be extended or abridged by an agreement in writing by the parties.

14.3 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and shall enure to the benefit of and shall be binding upon the parties hereto, their respective heirs, legal representatives, successors and assigns, as the case may be.

14.4 In this Agreement, all references to the singular will be construed to include the plural where the context so admits, the masculine to include the feminine and neuter gender and, where necessary, a body corporate and vice versa.

14.5 Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term "including" shall mean "including, without limitation", and the term "includes" shall mean "includes, without limitation". Any reference herein to the exercise of discretion by the Lender (including phrases such as "in the discretion of", "in the opinion of", "in its opinion", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

14.6 The terms "this Agreement", "this Mortgage Participation Agreement", "this Syndicated Mortgage Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the schedules hereto and not to any particular article, section, paragraph, subparagraph, clause or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto. The parties hereto acknowledges that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

14.7 The provisions of this Agreement shall survive the execution and delivery of the Loan Agreement, the Lender Security and the funding of the Loan.

- 14.8 This Agreement shall remain in force until the earlier of the date upon which:
- (a) the Loan has been paid in full and the Lender Security discharged;
  - (b) the Lender Security for all of the Loans has been fully realized upon (including prosecution of covenants to pay and realization upon assets in connection therewith) and the proceeds of realization have been fully distributed among the Lenders;
  - (c) this Agreement is otherwise mutually terminated by the Bare Trustee and the Lenders by Ordinary Approval.

14.9 The parties hereto acknowledge and agree that facsimile signatures on this Agreement will be valid and binding as if this Agreement had been executed in original by the parties hereto, and receipt of this Agreement bearing a signature by facsimile transmission shall constitute delivery of this Agreement.

This Agreement may be executed (either by original or facsimile signature) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14.10 The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

14.11 The Recitals hereof form an integral part of this Agreement.

14.12 Each Lender and the Bare Trustee shall upon the written request of another party to this agreement execute and deliver to such other party such further documents and assurances and do and cause to be done and performed all such further acts and things as are within its reasonable power to do and as are reasonably necessary or desirable in order to give full effect to this Agreement and the transactions contemplated by it.

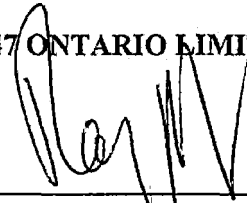
14.13 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and, except as stated in this Agreement and in the instruments and documents to be executed and delivered pursuant to this Agreement, contains all of the representations, undertakings and agreements of the parties. This Agreement supersedes all prior negotiations or agreements between the parties, whether written or oral, with respect to the subject matter of this Agreement.

14.14 The parties hereto, and each of them, hereby acknowledge that Nancy Elliott, Barrister & Solicitor (the "Firm") has acted for the Bare Trustee in connection with this Agreement, the Loan Agreement and the Lenders Security. The Lenders acknowledge that the Firm has advised and recommended to them that, because the Firm is acting for only the Bare Trustee as aforesaid, that each of the Lenders should obtain legal advice concerning the advisability of entering into this Agreement before executing it.

The parties have duly executed this Agreement as of the date first above written.

2223947 ONTARIO LIMITED

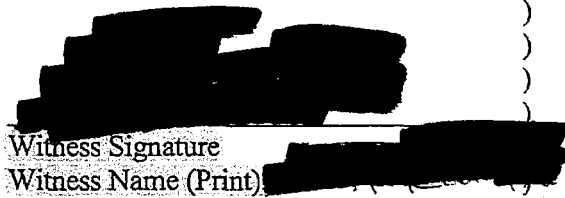
Per:




Raj Singh, President

I HAVE AUTHORITY TO BIND THE CORPORATION

SIGNED, SEALED AND DELIVERED )  
in the presence of: )



Witness Signature  
Witness Name (Print)



Investor Signature  
Investor Name (Print): Joan Cox

**SCHEDULE "B"**

**LEGAL DESCRIPTION OF LANDS**

PT LT 6, PL 125, AS IN 641723; BURLINGTON, PIN; 07074-0033 (LT) and PT LT 6, PL 125, AS IN 205910; BURLINGTON, PIN 07074-0034 (LT)

**SCHEDULE "C"**  
**LOAN AGREEMENT**



**Properties**

*PIN* 22507 - 0109 LT *Interest/Estate* Fee Simple  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVENUE NORTH  
 KITCHENER

**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* MEMORY CARE INVESTMENTS (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

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

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite, 300, Mississauga, Ontario,  
 L4W 4Y6

**Statements**

Schedule: See Schedules

**Provisions**

*Principal* \$6,500,000.00 *Currency* CDN  
*Calculation Period* See Schedule  
*Balance Due Date* 2017/11/01  
*Interest Rate* See Schedule  
*Payments*  
*Interest Adjustment Date* 2014 03 01  
*Payment Date* See Schedule  
*First Payment Date* 2014 04 01  
*Last Payment Date* 2017 11 01  
*Standard Charge Terms*  
*Insurance Amount* full insurable value  
*Guarantor*

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Chargor Signed 2014 02 24  
 Mississauga (s)  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2014 02 25  
 Mississauga  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350



LRO # 58 Charge/Mortgage

Registered as WR804321 on 2014 02 25 at 11:17

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

yyyy mm dd Page 2 of 24

**Fees/Taxes/Payment**

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

**File Number**

Chargor Client File Number : 12848

**PROVIDED THIS CHARGE/MORTGAGE OF LAND TO BE VOID** upon payment at the office of the Chargee at 5000 Yonge Street, Suite 1901, Toronto, Ontario, M2N 7E9 of Six Million Five Hundred Thousand (\$6,500,000.00) Dollars of lawful money of Canada with interest at the rate of eight percent (8.00%) per annum, calculated daily and payable on the earlier of demand or quarterly as herein set forth, as well after as before maturity and both before and after default plus the Additional Loan Payment (as defined and payable in accordance with the Loan Agreement) as follows: the whole of said principal sum of \$6,500,000.00 then outstanding shall become due and payable on November 1, 2017 and interest at the rate and calculated aforesaid on the amount advanced from time to time shall become due and payable on the earlier of demand or quarterly on the first day of the first month in each quarter (or three-month period as determined by the Chargee, acting reasonably) from and including April 1, 2014 to and including the day that the aforesaid principal sum is repaid in full. The first payment of interest to be computed from the date of the first advance to become due and payable on the first day of the third month or quarter (as determined by the Chargee, acting reasonably) immediately following the month that the first advance takes place which, for the sake of clarity, if the first advance is made in January of 2014, then the first payment of interest payable by the Chargor under this Charge shall be April 1, 2014.

**AND** taxes; and observance and performance of all covenants, provisos and conditions herein contained.

**AND** it is hereby agreed that in case default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the rate aforesaid, and in case the interest and compound interest are not paid in one (1) month from the time of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the said lands.

(10) **STANDARD CHARGE TERMS**

10.1 **Defined Terms** – Unless otherwise expressly defined or otherwise required by the context, the following words and phrases shall have the following meanings when used in this Charge:

- (a) **“Charge”** means the Charge/Mortgage to which these Standard Charge Terms are attached as a schedule or which refers to the filing number of these Standard Charge Terms, as the case may be, and all schedules attached to such Charge/Mortgage of Land, and all amendments thereto and replacements thereof from time to time;
- (b) **“Chargee”** means all persons in whose favour this Charge is given and who is or are named in this Charge as Chargee;
- (c) **“Chargor”** means all persons who have given this Charge and who have executed the same as Chargor;
- (d) **“Costs”** includes all costs and expenses of every nature and kind whatsoever incurred by the Chargee or paid by the Chargee to any other party or Person in connection with the protection and preservation of the Lands or any other security held by the Chargee whether pursuant to this Charge, the Loan Agreement or otherwise, or for the purpose of preserving and maintaining the enforceability and priority of this Charge and any such other security, or in connection with any and all demands and enforcement proceedings of every nature and kind made or carried out by or on behalf of the Chargee under or pursuant to this Charge or the Loan Agreement, and includes, without limitation, legal costs incurred by the Chargee on a solicitor and client scale;
- (e) **“Covenantor”** means any party to this Charge expressly defined as such and any and all Persons who have directly, indirectly, as principal debtor or as surety covenanted to pay or guaranteed payment of the whole

or any part of the amount or amounts secured by this Charge or which are owing under the loan facilities referred to in the Loan Agreement or who have covenanted to perform or guaranteed performance by the Chargor of its obligations under this Charge or under the Loan Agreement or under any security given in connection therewith;

- (f) **“Environmental Laws”** means any and all applicable statutes, laws, by-laws, regulations, rules, codes, orders, directives, guidelines, permits and other lawful requirements, now or hereafter in effect, of any federal, provincial, municipal or other governmental authority having jurisdiction in connection with or pertaining to any Hazardous Substance or to the protection of the natural environment or the health or welfare of any living thing;
- (g) **“Hazardous Substance”** means any pollutant, contaminant, waste or other substance (i) the store, manufacture, disposal, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled on regulated or licensed under any Environmental Law; or (ii) which in the Chargee’s opinion, acting reasonably, may, immediately or in the future, directly or indirectly, cause harm or degradation to the environment or to the health or welfare of any living thing;
- (h) **“Lands”** means the lands, tenements, hereditaments and appurtenances and any estate or interest therein described in this Charge, and all buildings and improvements now or hereafter situate or constructed thereon, and all easements, rights-of-way and other appurtenances thereto, and all structures, additions, improvements, machinery, equipment, decorations and other fixtures of every nature and kind (whether or not affixed in law) attached thereto or placed, installed or erected thereon or used in connection therewith;
- (i) **“Loan Agreement”** means a certain loan agreement dated as of the 1<sup>st</sup> day of October, 2013 by and between the Chargor and the Chargee, as may be amended or restated from time to time;
- (j) **“Person”** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;
- (k) **“Receiver”** means any receiver, receiver and manager, receiver-manager or trustee of the Lands as may be appointed from time to time by the Chargee pursuant to the provisions of this Charge or by any court of competent jurisdiction; and,
- (l) **“Taxes”** means all taxes, rates, assessments, local improvement charges, levies, penalties and other charges imposed upon or in respect of the Lands by any governmental authority having jurisdiction.

10.2 **Statutory References** – Unless expressly stipulated or otherwise required by the context, all references in this Charge to any federal, provincial or municipal statute, regulation, by-law, order, directive or other governmental enactment shall be deemed to be and construed as a reference to the same as amended from time to time.

10.3 **Exclusion of Statutory Covenants** – The implied covenants deemed to be included in a charge under sub-section 7(1) of the Land Registration Reform Act (Ontario) shall be and are hereby expressly excluded and replaced by the terms hereof which are covenants by the Chargor, for and on behalf of the Chargor, with the Chargee.

10.4 **Short Form of Mortgages Act** – If any of the forms of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474, 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 Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the said Act was still in full force and effect.

10.5 **Proviso for Redemption** – Provided this Charge to be void upon payment of the principal sum hereby secured, in lawful money of Canada, with interest as herein provided and taxes and performance of statute labour and performance of all covenants and agreements contained in this Charge.

10.6 **Release** – The Chargor releases to the Chargee all its claims upon the Lands subject to the proviso for redemption herein.

10.7 **Advance of Funds** – The Chargor agrees that neither the preparation, execution nor registration of this Charge shall bind the Chargee to advance the monies hereby secured, nor shall the advance of a part of the principal sum herein bind the Chargee to advance any unadvanced portion thereof, but nevertheless the estate hereby charged shall take effect forthwith upon the execution of this Charge by the Chargor, and the expenses of the examination of the title and of this Charge and valuation are to be secured hereby in the event of the whole or any balance of the principal sum herein not being advanced, the same to be charged hereby upon the Lands, and shall be without demand thereof, payable forthwith with interest at the rate provided for in this Charge, and in default the remedies herein shall be exercisable.

10.8 **Chargor's Covenants** – The Chargor covenants with the Chargee as follows:

- (a) that the Chargor will pay the principal sum herein and interest and the Additional Loan Payment and observe the proviso for redemption herein, and will pay as they fall due all Taxes and when required by the Chargee, shall transmit the receipts therefor to the Chargee;
- (b) that the Chargor will pay all amounts which are payable hereunder or which are capable of being added to the principal sum herein pursuant to the provisions of this Charge or the Loan Agreement including, without limiting the generality of the foregoing, all servicing or other fees, Costs or charges provided for herein; all insurance premiums; the amount paid for the supply of any fuel or utilities to the Lands; all Costs, commissions, fees and disbursements incurred by the Chargee in constructing, inspecting, appraising, selling, managing, repairing or maintaining the Lands; all Costs incurred by the Chargee, including legal costs on a solicitor and his own client basis, with respect to the Charge or the enforcement thereof or incurred by the Chargee arising out, of or in any way related to this Charge; any amounts paid by the Chargee on account of any encumbrance, lien or charge against the Lands and any and all Costs incurred by the Chargee arising out of, or in any way related to, the Chargee realizing on its security by sale or lease or otherwise;
- (c) that the Chargor has a good title in fee simple to the Lands and has good right, full power and lawful and absolute authority to charge the Lands and to give this Charge to the Chargee upon the covenants contained in this Charge;
- (d) that the Chargor has not done, committed, executed or willfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the Lands, or any parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose; and free from all encumbrances except as may be permitted by the Chargee, acting reasonably or as set forth in the Loan Agreement;
- (e) that the Chargor will execute such further assurances of the Lands as may be requisite; and
- (f) that the Chargor will produce the title deeds and allow copies to be made at the expense of the Chargor.

10.9 **Compliance with Laws and Regulations** – The Chargor shall, in its ownership, operation and use of the Lands, promptly and at all times observe, execute and comply with all laws, Environmental Laws, rules, requirements, orders, directions, ordinances, and regulations of every governmental authority or agency having jurisdiction with respect to the same, and further agrees at its cost and expense to take any and all steps or make any improvements or alterations thereto, structural or otherwise, ordinary or extraordinary, which may be required at any time hereafter by any such present or future laws, rules, requirements, orders, directions, ordinances or regulations.

10.10 **Change of Use** – The Chargor will not change or permit to be changed the existing use or uses of the Lands without the prior written consent of the Chargee.

10.11 **Repair** – The Chargor will keep the Lands including the buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof, and the Chargee may, whenever it deems necessary, enter upon and inspect the Lands, and the cost of such inspection shall be added to the indebtedness secured hereunder, and if the Chargor neglects to keep the Lands in good condition and repair, or commits or permits any act of waste on the Lands (as to which the Chargee shall be sole judge) or makes default as to any of the covenants or provisos herein contained, the principal sum herein shall, at the option of the Chargee, forthwith become due and payable, and in default of payment thereof with interest as in the case of payment before maturity, the powers of entering upon and leasing or selling hereby given may be exercised forthwith and the Chargee may make such repairs as it deems necessary, and the cost thereof with interest at the rate aforesaid shall be added to the monies hereby secured and shall be payable forthwith and be a charge upon the Lands prior to all claims thereon subsequent to this Charge.

10.12 **Alterations or Additions** – Except as contemplated in Section 10.57 hereof, the Chargor will not make or permit to be made any alterations or additions to the Lands without the prior written consent of the Chargee, which consent may be withheld in the Chargee's sole discretion or may be given only subject to compliance with such terms and conditions at the cost of the Chargor as the Chargee may impose.

10.13 **Lands Include All Additions** – The Lands shall include all structures and installations brought or placed on the Lands for the particular use and enjoyment thereof or as an integral part of or especially adapted for the buildings thereof whether or not affixed in law to the Lands including, without limiting the generality of the foregoing, piping, plumbing, electrical equipment or systems, aerials, refrigerators, stoves, clothes washers and dryers, dishwashers, incinerators, radiators and covers, fixed mirrors, fitted blinds, window screens and screen doors, storm windows and storm doors, shutters and awnings, floor coverings, fences, air conditioning, ventilating, heating, lighting, and water heating equipment, cooking and refrigeration equipment and all component parts of any of the foregoing and that the same shall become fixtures and an accession to the freeholder and a part of the realty.

10.14 **INTENTIONALLY DELETED**

10.15 **Inspection** – The Chargee shall have access to and the right to inspect the Lands at all reasonable times.

10.16 **Taxes** – With respect to Taxes, the Chargor covenants and agrees with the Chargee that:

- (a) The Chargee may deduct from any advance of the monies secured by this Charge an amount sufficient to pay all Taxes which have become due and payable during any calendar year.
- (b) The Chargee may at its sole option estimate the amount of the Taxes payable in each year and the Chargor shall forthwith upon demand of the Chargee pay to the Chargee one-twelfth (1/12) of the estimated annual amount of such Taxes on the 1<sup>st</sup> day of each and every month during the term of this Charge commencing with the 1<sup>st</sup> day of the first full month of the term of this Charge. The Chargee may at its option apply such payments to the Taxes so long as the Chargor is not in default under any covenant or agreement contained

in this Charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of Taxes more often than yearly. Provided however, that if the Chargor shall pay any sum or sums to the Chargee to apply on account of Taxes, and if before such payments have been so applied by the Chargee, there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payment of the principal and interest in default. If the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of Taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose.

- (c) In the event that the Taxes actually charged in a calendar year, together with any interest and penalties thereon, exceed the amount estimated by the Chargee as aforesaid, the Chargor shall pay to the Chargee, on demand, the amounts required to make up the deficiency. The Chargee may at its option, pay any of the Taxes when payable, either before or after they are due, without notice, or may make advances therefor in excess of the then amount of credit held by the Chargee for Taxes. Any excess amount advanced by the Chargee shall be secured as an additional principal sum under this Charge and shall bear interest at the rate as provided for in this Charge until repaid by the Chargor.
- (d) The Chargor shall transmit and deliver to the Chargee all assessment notices, tax bills and other notices pertaining to the imposition of Taxes forthwith after receipt thereof.
- (e) The Chargor shall pay to the Chargee, in addition to any other amounts required to be paid hereunder, the amount required by the Chargee in its sole discretion for a reserve on account of future liability for Taxes.
- (f) In no event shall the Chargee be liable for any interest on any amount paid to it on account of Taxes and the monies so received may be held with its own funds pending payment or application thereof as herein provided; provided that in the event that the Chargee does not utilize the funds received on account of Taxes in any calendar year, such amount or amounts may be held by the Chargee on account of any pre-estimate of Taxes required for the next succeeding calendar year, or at the Chargee's option the Chargee may repay such amount to the Chargor without any interest.
- (g) The Chargor shall in all instances be responsible for the payment of any and all penalties resulting from any arrears of Taxes or any late payment of current instalments thereof, and at no time shall such penalties be the responsibility of the Chargee.
- (h) In the event the Chargee does not collect payments on account of Taxes as aforesaid, the Chargor shall deliver to the Chargee or on before December 31<sup>st</sup> in each calendar year or such other times or dates that the Chargee requests, written evidence from all taxing authorities having jurisdiction to the effect that all Taxes for the then current calendar year and any preceding calendar years have been paid in full, failing which, the Chargee shall be entitled to charge a servicing fee for each written inquiry directed to such taxing authorities or the Chargor for the purpose of ascertaining the status of the Taxes together with any costs payable to such taxing authorities for such information.

10.17 **Utilities** – The Chargor covenants that it will pay all utility and fuel charges related to the Lands as and when they are due. Except as may be necessary during the course of construction upon the Lands, the Chargor will not allow or cause the supply of utilities or fuel to the Lands to be interrupted or discontinued and that, if the supply of fuel oil or utilities is interrupted or discontinued, the Chargor will take all steps that are necessary to ensure that the supply of utilities or fuel is restored forthwith.

10.18 **Insurance** – The Chargor will insure and keep insured during the term of this Charge the buildings and other improvements on the Lands (now or hereafter erected) on an all-risks basis in an amount of not less than the greater of the full replacement value of the buildings located thereon from time to time, or the principal

money herein, with no co-insurance provisions and with the Chargee's standard mortgage clause forming part of such insurance policy. The Chargor shall carry such liability, rental, boiler, plate glass and other insurance coverage as is required by the Chargee to be placed with such insurance companies and in such amounts and in such forms as may be acceptable to the Chargee. All such policies shall provide for loss payable to the Chargee and contain such additional clauses and provisions as the Chargee may require. An original of all insurance policies and endorsements from the insurer to the effect that coverage has been bound and/or extended for a minimum period of at least one year and that all premiums with respect to such term of such coverage have been paid in full, shall be produced to the Chargee prior to any advance and at least thirty (30) days before expiration of any term of any such respective policy, failing which the Chargee may provide thereof and charge the premium paid thereof and interest thereon at the aforesaid rate to the Chargor and any amounts so paid by the Chargee shall be payable forthwith to the Chargee and shall also be a charge upon the Lands and secured by this Charge. It is further agreed that the Chargee may at any time require any insurance on the said buildings to be cancelled and new insurance effected with a company to be named by it, and also may, of its own accord, effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be forthwith payable to it, together with interest at the rate aforesaid by the Chargor (together with any costs of the Chargee as herein set out), and shall be a charge upon the Lands and secured by this Charge.

In the event that the evidence of continuation of such insurance as herein required has not been delivered to the Chargee within the required time, the Chargee shall be entitled to a servicing fee for each written inquiry which the Chargee shall make to the insurer or the Chargor pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the Lands, the Chargee, in addition to the aforesaid servicing fee, shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

In the event of any loss or damage, the Chargor shall forthwith notify the Chargee in writing and notwithstanding any other provision to the contrary, statutory or otherwise, in the event of any monies becoming payable pursuant to any insurance policy herein required, the Chargee may, at its option, require the said monies to be applied by the Chargor in making good the loss or damage in respect of which the monies is received, or in the alternative, may require that any or all of the monies so received be applied in or towards satisfaction of any or all of the indebtedness hereby secured whether or not such indebtedness has become due. No damage may be repaired nor any reconstruction effected without the approval in writing of the Chargee in any event.

The Chargor, upon demand, will transfer all policies of insurance provided for herein and the indemnity which may become due therefrom to the Chargee. The Chargee shall have a lien for the indebtedness hereby secured on all the said insurance proceeds and policies, and may elect to have these monies applied as it may deem appropriate, including payment of monies secured hereby, whether due or not, but the Chargee shall not be bound to accept the said monies in payment of any principal not yet due.

10.19            **Remittance and Application of Payments** – All payments of principal, interest and other monies payable hereunder to the Chargee shall be payable at par in lawful money of Canada at the Chargee's address for service as set out in this Charge or at such other place as the Chargee shall designate in writing from time to time. In the event that any of the monies secured by this Charge are forwarded to the Chargee by mail, payment will not be deemed to have been made until the Chargee has actually received such monies and the Chargor shall assume and be responsible for all risk of loss or delay. Notwithstanding anything herein to the contrary, in the event of any default under this Charge, the Chargee may apply any payments received in whatever order the Chargee may elect as between principal, interest, realty taxes, insurance premiums, repairs, costs and any other advances or payments made by the Chargee hereunder.

10.20            **Receipt of Payment** – Any payment received after 2:00 p.m. on any date shall be deemed, for the purpose of calculation of interest to have been made and received on the next bank business day and the Chargee

shall be entitled to interest on the amount due it, to and including the date on which the payment is deemed by this provision to have been received.

10.21 **No Deemed Re-investment** – Except in the case where this Charge provides for blended payments of principal and interest whether paid monthly or otherwise, the parties hereto agree that the Chargee shall not be deemed to reinvest any monthly or other payments received by it hereunder.

10.22 **INTENTIONALLY DELETED**

10.23 **Postdated Cheques** – The Chargor shall, if and when required by the Chargee, deliver to the Chargee upon the first advance of moneys hereunder or upon request and thereafter on each anniversary date thereof in each year for the duration of the term of this Charge, postdated cheques for the payments of principal, interest and estimated realty taxes required to be made herein during the twelve month period commencing on each such anniversary date. In the event of default by the Chargor in delivery to the Chargee of the postdated cheques as herein provided, this Charge shall be deemed in default and the Chargee shall be entitled to pursue any and all of its remedies herein and/or at law as it may deem necessary at its option. In addition, the Chargee upon the Chargor's failure to deliver such postdated cheques as required hereunder shall be entitled to a servicing fee for each written request that it makes to the Chargor for the purpose of obtaining such postdated cheques. Any step taken by the Chargee hereunder by way of a request for further postdated cheques shall be without prejudice to the Chargee's rights hereunder to declare the Charge to be in default in the event that such postdated cheques are not delivered within the required time.

10.24 **Dishonoured Cheques** – In the event that any of the Chargor's cheques are not honoured when presented for payment to the drawee, the Chargor shall pay the Chargee for each such returned cheque a servicing fee to cover the Chargee's administration costs with respect to same. In the event that the said cheque which has not been honoured by the drawee is not forthwith replaced by the Chargor, the Chargee shall be entitled to a further servicing fee for each written request therefor which may be necessitated by the Chargor not forthwith replacing such dishonoured cheque.

10.25 **Financial and Operating Statements** – The Chargor covenants that, within the periods of time hereinafter specified, or within such other period(s) of time as may be specified by the Loan Agreement, the Chargor shall deliver or cause to be delivered to the Chargee the following:

- (a) within 60 days after the end of each fiscal quarter of operation to the Lands, quarterly financial reports, including the balance sheet and statement of income for the quarter and on a year-to-date basis, with details of accounts payable and all priority payables, certified as accurate by an appropriate corporate officer;
- (b) within 120 days after the end of each fiscal year of operation of the Lands, an annual operating statement in respect of the Lands for the immediately preceding fiscal year setting forth the gross rents and other income derived from the Lands, the cost and expenses of operation and maintenance of the Lands and such other information and explanations in respect of the same as may be required by the Chargee;
- (c) within 120 days after the end of each fiscal year of each Chargor and Covenantor which is a corporation, the annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Chargee;
- (d) with respect to each Chargor and Covenantor who is an individual and within 30 days after each anniversary of the date of the Loan Agreement, an annual updated net worth statement of each such



individual in such form and including such content and other information and explanations as may be required by the Chargee; and

- (e) such further or other information as the Chargee may reasonably require from time to time in the monitoring and managements of its risk.

All such operating and financial statements shall be prepared at the expense of the Chargor and in accordance with generally accepted accounting principles applied on a consistent basis and on a review engagement basis by a duly qualified chartered accountant or certified public accountant which is acceptable to the Chargee, and the completeness and correctness of such statements shall be supported by an affidavit of an unauthorized officer of the Chargor or Covenantor, as the case may be.

10.26 **Estoppel Acknowledgements** – If and whenever the Chargee requests an acknowledgement from the Chargor as to the statement of account with respect to this Charge or the status of the terms and conditions of this Charge, the Chargor shall execute such an acknowledgement in such form as may be required by the Chargee provided that the contents of such form are correct, and the Chargor shall do so forthwith upon request and without cost to the Chargee and shall return such acknowledgement duly executed within forty-eight (48) hours of such request.

10.27 **Statements of Account** – The Chargor shall be entitled to receive upon written request, a statement of account with respect to this Charge as of any payment date under this Charge and the Chargee shall be entitled to a servicing fee for each such statement.

10.28 **Renewal or Extension of Time** – No renewal or extension of the terms of this Charge given by the Chargee to the Chargor, or anyone claiming under him, or any other dealing by the Chargee with the owner of the equity of redemption of the Lands, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the monies hereby secured, and this Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest, or amended from time to time as to any of its terms, including, without limitation, an increase of interest rate or principal amount notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority for this Charge so altered over any instrument registered subsequent to this Charge; provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

Provided further that the terms of this Charge may be amended or extended from time to time by mutual agreement between the Chargor and the Chargee and the Chargor hereby further covenants and agrees that, notwithstanding that the Chargor may have disposed of his interest in the Lands hereby secured, the Chargor will remain liable as a principal debtor and not as a surety for the observance of all of the terms and provisions herein and will in all matters pertaining to this Charge well and truly do, observe, fulfill and keep all and singular the covenants, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof notwithstanding the given of time for the payment of the Charge or the varying of the terms of the payment thereof or the rate of interest thereon or any other indulgence by the Chargee to the Chargor.

The Chargor covenants and agrees with the Chargee that no agreement for renewal hereof or for extension of the time for payment of any monies payable hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the original term of this Charge or of any subsequent term agreed to in writing between the Chargor and the Chargee, and that no renewal hereof or extension of the time for payment of any monies hereunder shall result from, or be implied from, any other act, matter or thing, save only express agreement in writing between the Chargor and the Chargee.

10.29 **Construction Liens** – The Chargee may, at its option, withhold from any advances for which the Chargor may have qualified such amounts as the Chargee, at its sole discretion, considers advisable so as to ensure

the priority of all advances over all liens arising under any construction lien legislation until such time as the Chargee is fully satisfied that all lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this Charge shall be construed to make the Chargee an "owner" or "payer" as defined under any construction lien legislation, nor shall there be or be deemed to be any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be retained by the "owner" or "payer" pursuant to any construction lien legislation shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of all construction lien legislation.

10.30            **Expropriation** – If the Lands or any part thereof shall be expropriated by any government, authority, body or corporation clothed with the powers of expropriation, the principal sum herein remaining unpaid shall at the option of the Chargee forthwith become due and payable together with interest thereon at the rate provided for herein to the date of payment together with a bonus equal to the aggregate of (a) three months' interest at the same rate calculation on the amount of the principal remaining unpaid, AND (b) one month's interest at the rate provided for herein calculated on the principal remaining unpaid, for each full year of the term of this Charge or any part of such year from the said date of payment to the date the said principal sum or balance thereof remaining unpaid would otherwise under the provisions of this Charge become due and payable and in any event all the proceeds of any expropriation shall be paid to the Chargee at its option in priority to the claims of any other party.

10.31            **INTENTIONALLY DELETED**

10.32            **Sale or Change of Control** – In the event of a further encumbrance or a sale, conveyance or transfer of the Lands or any portion thereof, or a change in control of the Chargor or a change in the beneficial ownership of the Lands or any portion thereof or a lease of the whole of the Lands, all sums secured hereunder shall, at the Chargee's option, become due and payable forthwith unless the written consent of the Chargee has been first obtained, which consent shall not be unreasonably withheld. The rights of the Chargee pursuant to this provision shall not be affected or limited in any way by the acceptance of payments due under this Charge from the Chargor or any person claiming through or under him and the rights of the Chargee hereunder shall continue without diminution for any reason whatsoever until such time as the Chargee has consented in writing as required by this provision. No permitted sale or other dealing by the Chargor with the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured. The foregoing shall not apply to any sale to a bona fide arm's length purchaser for value of a single family residential lot or condominium unit intended to be used by such purchaser for residential purposes.

10.33            **Event of Default** – Without limiting any of the provisions of this Charge, each of the following events shall be considered events of default hereunder upon the happening of which the whole of the principal sum outstanding and all interest accruing thereon and all amounts due hereunder shall immediately become due and payable at the option of the Chargee exercised by notice in writing to the Chargor:

- (a)            Failure by the Chargor or any Covenantor to pay any instalment of principal, interest and/or any amounts owing under the Loan Agreement or this Charge including without limiting the generality of the foregoing, taxes under this Charge or under any charge or other encumbrance of the Lands, on the date upon which any of the payments for same become due;
- (b)            Failure by the Chargor or any Covenantor to strictly and fully observe or perform any condition, agreement, covenant or term set out in the application or Loan Agreement for the loan secured by this Charge, the provisions of this Charge, or any other document giving contractual relationship as between them or any of them or if it is found at any time that any representation to the Chargee with respect to the loan secured by this Charge or in any way related thereto is incorrect or misleading;

- (c) Default by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in the Loan Agreement or any charge or other encumbrance affecting the Lands, whether or not it has priority over this Charge;
- (d) Upon the registration of any construction lien against the Lands which is not discharged or vacated on or before the date which is the earlier of 21 days after the date of registration of such construction lien and the day immediately preceding the last date upon which a legal action can be commenced in respect of such construction lien;
- (e) In the event that any Hazardous Substance is discovered in, on or under the Lands or any part thereof and the Chargee does not within seven (7) days after demand therefor by the Chargee immediately commence and thereafter diligently proceed to completely remove the same to the entire satisfaction of the Chargee;
- (f) In the event that the Lands are abandoned or there is any cessation of the business activities or any material part thereof now being conducted upon the Lands by the Chargor or the beneficial owner of the Lands or any of their respective officers, agents, employees, tenants or invitees;
- (g) If the Chargor or any Covenantor commits an act of bankruptcy or becomes insolvent or has a receiver or receiver and manager appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced upon the Lands or any part thereof or if any compromise or arrangement with creditors is made by any of them;
- (h) If the Chargor or any Covenantor shall fail to maintain reasonable currency with respect to the government priority payables.

10.34 **Default** – The Chargee may, on default of payment or in the performance of any covenant in this Charge contained or implied by law or statute, enter on and lease the Lands or in default of payment or in default in performance of any covenant in this Charge contained or implied by law or statute for at least fifteen (15) days may, on at least thirty-five (35) days' notice sell the Lands. Such notice shall be given to such persons and in such manner and form and within such time as provided under the Mortgages Act, as amended from time to time. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with a grown-up person on the Lands, if occupied, or by placing it on the Lands if unoccupied, or at the option of the Chargee, by mailing in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the Lands are situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained, or under disability. If there be legal personal representatives of the Chargor on the death of the Chargor, such notice may, at the option of the Chargee, be given in any of the above modes or by person service upon such representatives.

Provided further, without prejudice to the statutory powers of the Chargee under the preceding proviso, that in case default be made in the payment of the said principal or interest or any part thereof and such default continues for two months after any payment of either principal or interest falls due, the Chargee may exercise the powers given under the preceding proviso with or without entry on the Lands without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. And that the Chargee may sell the whole or any part or parts of the Lands by public auction or private contract, or partly one or partly the other; and that the proceeds of any sale hereunder may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Lands or by reason of non-payment or procuring payments of monies secured hereby or otherwise; and that the Chargee may sell any of the Lands on such terms as to credit and

otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which it shall deem proper; and may buy in or rescind or vary any contract for the sale of the whole or any part of the Lands and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder and the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no cause had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given, but any person damnified by an unauthorized, improper or irregular exercise of the power shall have his remedy against the person exercising the power in damages only.

And it is hereby agreed between the parties hereto that the Chargee may pay all premiums of insurance and all Taxes which shall from time to time fall due and be unpaid in respect of the Lands, and that such payments together with all costs, charges and legal fees (between a solicitor and his own client), and expenses which may be incurred in taking, recovering and keeping possession of the Lands, and of negotiating this loan, investigating title, and registering this Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize this security, (including legal fees, real estate commissions, appraisal costs and other costs incurred in leasing or selling the Lands or in exercising the power of entering, leasing and selling herein contained) shall be with interest at the rate aforesaid and shall be a charge upon the Lands in favour of the Chargee and that the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the Lands, and that any amount paid by the Chargee shall be added to the monies hereby secured and shall be payable forthwith with interest at the rate herein, and in default this Charge shall immediately become due and payable at the option of the Chargee, and all powers in this Charge conferred shall become exercisable. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the money advanced on the security of this Charge or otherwise, the Chargee shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or government so paid and is hereby authorized to obtain an assignment or discharge thereof, and to retain same, for whatever period the Chargee shall deem it proper to do so.

Provided that wherever a power of sale is hereby conferred upon the Chargee, all provisions hereof relating to exercising such power, including, without in any way limiting the generality of the foregoing, the persons to whom notice of exercising such power shall be given and the manner of giving such notice, shall be deemed to have been amended so as to comply with the requirements of law from time to time in force with respect to exercising such power of sale, and wherever there shall be a conflict between the provisions of this Charge relating to exercising such power of sale and the requirements of such law, the provisions of such law shall govern. Insofar as there is no such conflict, the provisions of this Charge shall remain unchanged.

Provided that the Chargee may lease or sell as aforesaid without entering into possession of the Lands.

Provided that the Chargee may distrain for arrears of interest and that the Chargee may distrain for arrears of principal and arrears of Taxes in the same manner as if the same were arrears of interest.

Provided that in default of the payment of the interest hereby secured the principal hereby secured shall become payable at the option of the Chargee, together with interest thereon.

Provided that upon default of payment of instalments of principal promptly as the same become due, the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.

Provided that, upon default under this Charge, the Chargee shall be entitled and shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter.

Provided that until default hereunder the Chargor shall have quiet possession of the Lands.

And that on default the Chargee shall have quiet possession of the Lands.

Provided that the Chargee may in writing at any time or times after default waive such default and upon such waiver the time or times for payment of the principal secured herein shall be as set out in the proviso for redemption herein. Any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default. No waiver shall be effective or binding on the Chargee unless made in writing.

And it is further agreed by and between the parties that the Chargee may at its discretion at any time, release any part or parts of the Lands or any other security or any surety for the money hereby secured either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the Lands or any person from this Charge or from any of the covenants herein contained, it being especially agreed that every part or lot into which the Lands are or may hereafter be divided does and shall stand charged with all of the monies hereby secured and no person shall have the right to require the principal secured hereunder to be apportioned; further the Chargee shall not be accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. No sale or other dealing by the Chargor with the equity of redemption in the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured.

It is further agreed that the Chargee may exercise all remedies provided for in this Charge concurrently or in such order and at such times as it may see fit and shall not be obligated to exhaust any remedy or remedies before exercising its rights under any other provisions contained in this Charge.

And without limiting any other provision of this Charge, the Chargor acknowledges and agrees that, upon the occurrence of any default under this Charge and whether or not the monies hereby secured have been fully advanced, the Chargee may, at any time and from time to time as the Chargee shall determine at its sole option and discretion, advance such further sums under this Charge as are necessary to pay any arrears of Taxes, utilities or other charges capable of constituting a lien upon the Lands pari passu with or in priority to this Charge, to pay all amounts due under any encumbrance having priority over this Charge, to pay all amounts required to discharge or vacate any construction lien registered against the Lands whether or not priority is claimed over this Charge, to maintain in good standing any policies of insurance in respect of the Lands, to maintain, repair, operate and/or manage the Lands and any or all improvements thereon, to complete construction or renovation of any improvements on the Lands, to realize upon any security held by the Chargee for the loan secured by this Charge and generally to enforce all of the Chargee's rights, title and interest hereunder and to protect the Lands and to preserve the enforceability and priority of this Charge, and to pay any and all Costs; and all amounts advanced by the Chargee for any of the purposes as aforesaid shall bear interest at the rate applicable under this Charge from the date so advanced until repaid in full and shall be secured by this Charge in the same priority as the principal amount hereof.

10.35 **Right of Chargee to Repair** – The Chargor covenants and agrees with the Chargee that in the event of default in the payment of an instalment or other monies payable hereunder by the Chargor or on breach of any covenant, proviso or agreement herein contained, after all or any of the monies hereby secured have been advanced, the Chargee may, at such time or times as the Chargee may deem necessary and without the concurrence of any person, enter upon the Lands and may make such arrangements for completing the construction of, repairing

or putting in order any buildings or other improvements on the Lands or for inspecting, taking care of, leasing, collecting the rents of and generally managing the Lands, as the Chargee may deem expedient; and all reasonable costs, charges and expenses including, but not limited to, allowances for the time and services of any employee of the Chargee or other person appointed for the above purposes, and a servicing fee shall be forthwith payable to the Chargee by the Chargor and shall be a charge upon the Lands and shall bear interest at the aforesaid rate until paid.

10.36 **Appointment of a Receiver** – It is declared and agreed that at any time and from time to time when there shall be default under the provisions of this Charge, the Chargee may at such time and from time to time and with or without entering into possession of the Lands appoint in writing a Receiver of the Lands, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the Mortgages Act (Ontario), the Construction Lien Act (Ontario), or the Trustee Act (Ontario) as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Lands or any part thereof and the Chargor hereby consents to a Court Order for the appointment of such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the Chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, lease and/or sell the Lands and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Lands, including without limitation, charges and construction lien claims. Upon the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) A Statutory Declaration made by the Chargee or by any authorized representative of the Chargee as to default under the provisions of this Charge shall be conclusive evidence thereof;
- (b) Every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect to the Lands, or any part thereof, whether in respect of any tenancies created in priority to this Charge or subsequent thereto and with respect to all responsibility and liability for its acts and omissions;
- (c) The Chargee may from time to time fix the remuneration of every such Receiver which shall be a charge on the Lands, and may be paid out of the income therefrom or the proceeds of sale thereof;
- (d) The appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession in respect of the Lands or any part thereof;
- (e) The Receiver shall have the power to rent any portion of the Lands for such term and subject to such provisions as it may deem advisable or expedient and shall have the authority to execute any lease of the Lands or any part thereof in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm, and hereby ratifies and confirms whatever acts such Receiver may do on the Lands;
- (f) In all instances, the Receiver shall be acting as the attorney or agent of the Chargor;
- (g) Every such Receiver shall have full power to complete any unfinished construction upon the Lands;

- (h) Such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Chargor for the purposes of securing the payment of rental from the Lands or any part thereof;
- (i) The Receiver shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter;
- (j) The Receiver shall have full power to do all acts and execute all documents which may be considered necessary or advisable in order to protect the Chargee's interest in the Lands including, without limiting the generality of the foregoing, increasing, extending, renewing or amending all charges, mortgages and other encumbrances which may be registered against the Lands from time to time, whether or not any of the same are prior to the interest of the Chargee in the Lands; sale of the Lands; borrowing money on the security of the Lands; applying for and executing all documents in any way related to any re-zoning applications, severance of lands pursuant to the provisions of the Planning Act, as amended, subdivision agreements and development agreements and agreements for the supply or maintenance of utilities or services to the Lands, including grants of lands or easements or rights of way necessary or incidental to any such agreements; executing all grants, documents, instruments and agreements related to compliance with the requirements of any competent governmental authority, whether pursuant to a written agreement or otherwise and applying for and executing all documents in any way related to registration of the Lands as a condominium; completing any application for first registration pursuant to the provisions of the Land Titles Act (Ontario) or pursuant to the Certification of Titles Act (Ontario); and for all and every of the purposes aforesaid it does hereby give and grant unto the Receiver full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done as aforesaid in and about the Lands, and to commence, institute and prosecute all actions, suits and other proceedings which may be necessary or expedient in and about the Lands, as fully and effectually to all intents and purposes as it itself could do if personally present and acting therein.
- (k) Such Receiver shall not be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof and out of such cash so received every such Receiver shall pay in the following order: (i) its remuneration; (ii) all payments made or incurred by it in the exercise of its powers hereunder; and (iii) any payment of interest, principal and other money which may from time to time be or become charged upon the Lands in priority to the monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Lands or any part thereof.

The Chargor hereby irrevocably appoints the Chargee as his attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitors so as to give effect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or the Receiver and/or with respect to the Lands in the same manner as if such documentation was duly executed by the Chargor himself.

10.37            **Chargee Not to Be Deemed Chargee in Possession** – The Chargor acknowledges and agrees that, in exercising any of the rights given to the Chargee under this Charge, the Chargee shall be deemed not to be a chargee or mortgagee in possession.

10.38            **Enforcement of Additional Security** – In the event that, in addition to the Lands charged hereby, the Chargee holds further security on account of the monies secured hereby, it is agreed that no single or partial exercise of any of the Chargee's powers hereunder or under any of such security, shall preclude other and further exercise of any other right, power or remedy pursuant to any of such security. The Chargee shall at all times have the right to proceed against all, any, or any portion of such security in such order and in such manner as it shall in its

sole discretion deem fit, without waiving any rights which the Chargee may have with respect to any and all of such security, and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the remaining security, provided however, that upon payment of the full indebtedness secured hereunder the rights of the Chargee with respect to any and all such security shall be at an end.

10.39            **Taking of Judgment Not a Merger** – The taking of a judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Chargee’s right to interest at the rate and times herein provided; and further that the same judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as herein provided until the said judgment shall have been fully paid and satisfied.

10.40            **Bankruptcy and Insolvency Act** – The Chargor hereby acknowledges and agrees that:

- (a)        the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor;
- (b)        notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Lands as agent on behalf of the Chargor or otherwise or by taking possession of the Lands itself pursuant to any rights that the Chargee may have with respect thereto shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or with respect to enforcement of this Charge or any other security held by the Chargee; and,
- (c)        any and all Costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor; and the Chargee shall be entitled to incur any such Costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

10.41            **Permissible Interest Rate** – It is not the intention of this Charge to violate any provisions of the Interest Act (Canada), the Criminal Code (Canada) or any other statute dealing with permitted rates of interest in the Province of Ontario or in Canada. Notwithstanding any provisions set out herein, in no event shall the “interest” (as that term is defined in the Criminal Code) exceed the “criminal rate” (as defined therein) of interest on the “credit advanced” (as defined therein) lawfully permitted under the said legislation. In the event that it is determined at any time that, by virtue of the Loan Agreement, this Charge or any other document given as security for the herein contemplated loan, the payments of interest required to be made by the Chargor exceed the “criminal rate”, then the Chargor shall only be required to pay interest at the highest rate permitted by law. Nothing herein shall invalidate any requirements for payment pursuant to the Loan Agreement, this Charge or such other security documents, and any excess interest paid to the Chargee shall be refunded to the Chargor and the provisions of this Charge shall in all respects be deemed to be amended accordingly.

10.42            **Non-Merger** – Notwithstanding the registration of this Charge and the advance of funds pursuant hereto, the terms and conditions of the Loan Agreement shall remain binding and effective on the parties hereto, and shall not merge in this Charge nor in any document executed and delivered to the Chargee in connection with the transaction contemplated by the Loan Agreement, and the terms of the Loan Agreement are incorporated herein by



reference. In the event of any inconsistencies or ambiguities between the provisions of this Charge and the Loan Agreement, the provisions of the Loan Agreement shall prevail.

10.43 **Notices** – All notices or other communications to be given pursuant to or in connection with this Charge shall be in writing, signed by the party giving such notice or by its solicitors, and shall be personally delivered or sent by registered mail or facsimile transmission to the party or parties intended at its or their respective addresses for service as set out in this Charge. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

10.44 **Priority over Vendor's Lien** – The Chargor hereby acknowledges that this Charge is intended to be prior to any vendor's lien, whether in favour of the Chargor or otherwise, and the Chargor covenants that he has done no act to give priority over this Charge to any vendor's lien, nor is he aware of any circumstances that could create a vendor's lien. Further, the Chargor covenants to do all acts and execute or cause to be executed all documents required to give this Charge priority over any vendor's lien and to give effect to the intent of this clause.

10.45 **Consent of Chargee** – Wherever the Chargor is required by this Charge to obtain the consent or approval of the Chargee, it is agreed that, subject to any other specific provision contained in this Charge to the contrary, the Chargee may give or withhold its consent or approval for any reason that it may see fit in its sole and absolute discretion, and the Chargee shall not be liable to the Chargor in damages or otherwise for its failure or refusal to give or withhold such consent or approval, and all costs obtaining such approval shall be for the account of the Chargor.

10.46 **Family Law Act (Ontario)** – The Chargor shall forthwith after any change or happening affecting any of the following, namely, (a) the spousal status of the Chargor, (b) the qualification of the Lands or any part thereof as a matrimonial home within the meaning of Part II of the Family Law Act (Ontario), (c) the ownership of the equity of redemption in the Lands or any part thereof, and (d) a shareholder of the Chargor obtaining rights to occupy the Lands or any part thereof by virtue of shareholding within the meaning of Section 18(2) of the Family Law Act (Ontario), or any successor provision thereof, as the case may be, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the said equity of redemption and of any spouse who is not an owner but who has a right of possession in the Lands by virtue of Section 19 of the Family Law Act (Ontario) or any successor provision thereof. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of (a), (b) (c), and (d) above as the Chargee may from time to time request.

10.47 **Independent Legal Advice** – The Chargor and Covenantor(s) acknowledge that they have full knowledge of the purpose and essence of this transaction, and that they have been appropriately and independently legally advised in that regard or have been advised of their right to independent legal advice and have declined same. Such parties agreed to provide to the Chargee a Certificate of Independent Legal Advice as and when same may be required, regarding their knowledge and understanding of this transaction.

10.48 **Discharge** – The Chargee shall have a reasonable period of time after payment in full of the monies hereby secured within which to prepare and execute a discharge of this Charge; and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee; and all legal and other expenses for the preparation and execution of such discharge shall, together with the Chargee's fee for providing same, be borne by the Chargor. The discharge shall be prepared and executed by such persons as are specifically authorized by the Chargee and the Chargee shall not be obligated to execute any discharge other than a discharge which has been so authorized. If this Charge, the Loan Agreement or any other document provides for the giving of partial discharges of this Charge, it is agreed that, notwithstanding any other provision to the contrary, the

Chargor shall not be entitled to request or receive any such partial discharge if and for so long as the Chargor is in default under this Charge, the Loan Agreement or such other document.

10.49            **Servicing Fees** – All servicing and administration fees as herein provided are intended to and shall be in an amount sufficient in the sole opinion of the Chargee to compensation the Chargee for its administrative costs and shall not be deemed a penalty. The amount of such servicing and administration fees if not paid shall be added to the principal amount secured hereunder, and shall bear interest at the rate aforesaid and the Chargee shall have the same rights with respect to collection of same as it does with respect to collection of principal and interest hereunder or at law. Such servicing and administration fees shall include, but shall not be limited to, the following:

- (a)        The Chargee's fee (currently \$350.00) for each mortgage statement provided by the Chargee at the request of the Chargor;
- (b)        The Chargee's fee (currently \$350.00) for each payment hereunder made by the Chargor which his not honoured by its bank (in addition to all bank charges incurred in connection with the same);
- (c)        The Chargee's fee (currently \$400.00) for each demand letter or other communication sent by the Chargee to the Chargor in consequence of any default by the Chargor hereunder (in addition to all legal and other professional costs incurred in connection therewith);
- (d)        The Chargee's fee (currently \$300.00) for each draw request or request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (e)        The Chargee's fee (currently \$300.00) for each wire or electronic transfer of funds to the Chargor or as it may otherwise direct in writing in connection with each draw request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (f)        The sum of \$300.00 for each residential condominium unit (together with any related parking, locker or other units) in respect of which the Chargee gives a partial discharge of this Charge, payable at the time of the Chargee giving such partial discharge together with all reasonable legal costs incurred by the Chargee in such regard.

10.50            **Interpretation** – Provided and it is hereby agreed that, in construing this Charge, everything herein contained shall extend to and bind and may be enforced or applied by the respective heirs, executors, administrators, successors in office, successors and assigns, as the case may be, of each and every of the parties hereto, and where any of the Chargor, the Chargee and any Covenantor is more than one person, their respective covenants shall be deemed to be joint and several, and the provisions of this Charge shall be read and construed with all changes of gender and number as required by the context.

10.51            **Headings** – The headings with respect to the various paragraphs of this Charge are intended to be for identification of the various provisions of this Charge only and the wording of such headings is not intended to have any legal effect.

10.52            **Invalidity** – If any of the covenants or conditions in this Charge inclusive of all schedules forming a part hereof shall be void for any reason it shall be severed from the remainder of the provisions hereof and the remaining provisions shall remain in full force and effect notwithstanding such severance.

10.53            **Counterparts** – This Charge may be executed and/or registered in counterparts, each of which, so executed, and/or registered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, and notwithstanding their date of execution shall be deemed to bear date as of the date above written.

10.54            **Restriction on Further Financing** – The Chargor agrees not to enter into any further financing of the Lands and not to further encumber same in any manner without the prior written approval of the Chargee; provided that in accordance with the terms set out in the Loan Agreement and a Lender Acknowledgement and Consent Agreement between the Chargor and Chargee, the Chargor may obtain construction financing secured by a charge(s) on the Lands in an amount of up to \$19,750,000; and the Chargee agrees to execute all documents necessary to subordinate the Chargee's Charge on the Lands to any charge(s) of such construction financier(s). The Chargee hereby appoints the Chargor as its power of attorney to execute documents on behalf of the Chargee in relation to any such subordination(s).

10.55            Intentionally Deleted

10.56            **Loan Syndication** – The Chargor acknowledges that the Chargee will be administering the loan secured by this Charge and holding one or more interests therein as manager and/or trustee on behalf of certain investors, participants, co-lenders or other persons (including, without limitation, any mortgage broker, agent or other party who or which may have assisted in arranging the loan) whose interest may or may not be shown on the loan documents, and the Chargor agrees to pay all reasonable costs incurred by the Chargee in connection therewith.

10.57            **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 Lands, the parties hereto covenant and agree that the following conditions shall apply:

- (a) All construction on the Lands shall be carried out by reputable contractors having experience which is commensurate to nature and size of the project to be constructed.
- (b) The renovations to the building and structures located on the Lands having been commenced shall be continued in a good and workmanlike manner, with all due diligence and in accordance with the plans and specifications delivered to the Chargee and to the satisfaction of all governmental and regulatory authorities having jurisdiction.
- (c) Provided that should construction on the project on the Lands cease for any reason whatsoever (strikes, material shortages and weather conditions beyond the control of the Chargor excepted), for a period of ten (10) consecutive days (Saturdays, Sundays and Statutory holidays excepted), then, at the option of the Chargee, this Charge shall immediately become due and payable. In the event that construction does cease, then the Chargee 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 Chargee 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 Chargee. 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 Chargee shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of principal and interest hereunder or at law.
- (d) At all times there shall be sufficient funds unadvanced under this Charge and retained by the Chargee to complete the construction and/or renovation of the project on the Lands and as may be necessary to retain the Chargee's priority with respect to any deficiency in the holdbacks required by the Chargor under the Construction Lien Act (Ontario).
- (e) This Charge will be advanced in stages as construction upon the Lands proceeds or as the conditions as enumerated by the Loan Agreement are complied with.

- (f) 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 Chargee with respect to the said project and the progress thereof, whose fees and costs shall be for the account of the Chargor 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 Lands. Such certificates with respect to any values shall not include materials on the site which are not incorporated into the building.
- (g) The Chargor shall pay to the Chargee on each occasion when an inspection of the Lands is required to confirm construction costs to date and compliance with conditions for further advances, an inspection fee in such reasonable amount as the Chargee may charge from time to time for each such inspection and the Chargee's solicitors shall be paid their reasonable fees and disbursements for each subsearch and work done prior to each such advance and all such monies shall be deemed to be secured hereunder and the Chargee 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.
- (h) The Chargor covenants and agrees upon completion of the project to be erected on the Lands to deliver as further security for the loan herein secured, a General Security Agreement covering the goods, equipment and chattels to be installed in the same building, said General Security Agreement to be in a form approved by the solicitor for the Chargee.

10.58 **Condominium Provisions** – Provided that if all or any part of the Lands is or becomes a condominium unit pursuant to the provisions of the Condominium Act (Ontario), the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

- (a) For the purposes of all parts of the Lands comprising one or more such condominium units, all references in this Charge to the Lands shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation;
- (b) The Chargor shall at all times comply with the Condominium Act (Ontario) and shall forward to the Chargee proof of such compliance as the Chargee may request from time to time including, without limitation, status certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Chargee may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;
- (c) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Lands in accordance with the provisions of the Condominium Act (Ontario) and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and if the Chargor fails to make such payment, the Chargee may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

- (d) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor to vote or to consent as an owner within the meaning of the Condominium Act (Ontario) with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:
  - (i) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee; and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;
  - (ii) the Chargee shall not be under any obligation to vote or to consent or to protect the interests of the Chargor; and
  - (iii) the exercise by the Chargee of its right to vote or to consent or to abstain from doing so shall not constitute the Chargee as a mortgagee or charge in possession and shall not give rise to any liability on the part of the Chargee;
- (e) The Chargor shall forward to the Chargee by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Lands or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:
  - (i) fourteen (14) days after receipt of the same by the Chargor;
  - (ii) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;
  - (iii) seven (7) days prior to the due date of any claim or demand for payment; and
  - (iv) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;
- (f) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargee to inspect the records of the Condominium Corporation at any reasonable time; and
- (g) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargee's option, become immediately due and payable without notice or demand if any of the following events or circumstances shall occur and be continuing:
  - (i) the government of the Condominium Corporation or the government of the Lands by the Condominium Corporation is terminated;
  - (ii) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Lands, or any part of the same is expropriated;
  - (iii) the Condominium Corporation fails to comply with any provision of the Condominium Corporation (Ontario) or its declaration or any of its by-laws and rules; and

- (iv) the Condominium Corporation fails to insure its assets, including the Lands, in accordance with the Condominium Corporation (Ontario) and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same.

10.59 **Condominium Registration** – Replacement or Additional Security – The Chargee acknowledges that the Chargor intends to register the Lands as a condominium project and agrees to consent to such registration subject to the following conditions: (i) compliance by the Chargor with all requirements of all applicable laws and all governmental authorities; (ii) delivery to the Chargee of replacement or additional security for the loan secured by this Charge (including new mortgage(s), charge(s), assignment(s) and other security, opinion letters and an amended or replacement title insurance policy) as required by the Chargee in its sole discretion to be registered immediately following registration of the Lands as a condominium project and to constitute evidence of and security for the said loan in place of or in addition to the security delivered at the time of the first advance under this Charge, and the security delivered at the time of the first advance under this Charge will remain in place or may be discharged at the sole option and discretion of the Chargee; (iii) escrow and other arrangements satisfactory to the Chargee and its solicitors are entered into between all relevant parties (including registration of a temporary caution prohibiting any dealings with the Lands without the Chargee's consent) so as to ensure that the replacement or additional security is registered immediately following registration of the Lands as a condominium project, with the net effect that the condominium registration and registration of the replacement or additional security shall be, effectively, simultaneous events and that the condominium registration will not occur unless registration of the replacement or additional security occurs immediately thereafter; (iv) all such replacement or additional security will, after registration thereof, have the same effective priority and effect as the security delivered at the time of the first advance under this Charge; (v) the Chargor shall pay or reimburse the Chargee for all third party costs and expenses incurred by it in connection with the foregoing; and (vi) prior to the Chargee proceeding with any of the foregoing, the Chargor shall pay to the Chargee an amount as determined by the Chargee, acting reasonably, which it estimates to be sufficient to cover all such third party costs and expenses, and any surplus thereof shall be refunded to the Chargor.

10.60 **Additional Provisions**

- (a) Notwithstanding anything to the contrary contained in this Charge, any amount advanced under this Charge made by the Chargee shall be at the Chargee's sole and absolute discretion and the Chargee shall not be obligated at any time or times to make any advance under this Charge to the Chargor.
- (b) In addition to the payment by the Chargor of the principal amount owing from time to time under this Charge plus interest as set forth herein, the Chargor shall also pay to the Chargee, in certified funds or Bank Draft, forthwith after the determination is made by the Chargee in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as set forth in Schedule "D" of the Loan Agreement in the same manner as contemplated in Section 4.05 of the Loan Agreement. Notwithstanding the foregoing, the Chargee, at its option, may also deduct from the Distributable Cash Proceeds (as the term is defined in the Loan Agreement), at any time and from time to time, all or any part of the Additional Loan Payment that the Chargee, in its opinion, believes is due and payable.
- (c) The Chargor acknowledges, confirms, covenants and agrees that the Chargee shall be deducting from the first advance under this Charge and any additional advance an amount equal to 12 month's projected interest at the interest rate contemplated herein, at the time of such advance(s) which shall be a contribution of the Chargor to the Interest Reserve (as the term is defined in the Loan Agreement). The Chargor further acknowledges, confirms,

covenants and agrees that the Chargee may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Chargee's Solicitors (as the term is defined in the Loan Agreement) or received from the Chargor, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Chargor covenants and agrees that the amount in the Interest Reserve shall be applied by the Chargee against the obligations of the Chargor to pay interest hereunder, pursuant to the Loan Agreement or on the Loan Installments (as the term is defined in the Loan Agreement) and that once applied or deducted by the Chargee from the Loan Installments, the Distributable Cash Proceeds or otherwise, the Chargor shall have no claim against the funds in the Interest Reserve.

- (d) the Chargee acknowledges that the initial face amount of the Mortgage/Charge, namely \$6,500,000, can be increased by the Chargor where the Chargor obtains a new valuation/appraisal of the Lands and Olympia Trust agrees, based on the new valuation/appraisal, that the Mortgage/Charge can be increased; and the Chargor shall be entitled to borrow additional monies and issue participation interests in the Charge/Mortgage to any additional Chargees; provided that the Charge/Mortgage face value shall not exceed \$12,800,000 in any event. The Chargee(s) authorize the Chargor on behalf of the Chargee(s) to increase the face amount of the Mortgage/Charge without any further written approval/consent of the Chargors, up to the amount agreed by the Chargor and Olympia Trust, in writing, but in no event exceeding \$12,800,000.

**Properties**

*PIN* 22507 - 0109 LT  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVE NUE  
KITCHENER

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
WR804321	2014 02 25	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue  
Suite 300  
Mississauga, Ontario  
L4W 4Y6

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

	<i>Capacity</i>	<i>Share</i>
<i>Name</i> MC TRUSTEE (KITCHENER) LTD.		as to \$3,360,500.00 interest
<i>Address for Service</i> 2355 Skymark Avenue Suite 300 Mississauga, Ontario L4W 4Y6		
<i>Name</i> OLYMPIA TRUST COMPANY		As to \$3,139,500.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # - see schedule attached. 2200, 125 9TH Ave. S. E. Calgary, Alberta T2G 0P6		

**Statements**

The chargee transfers the selected charge for \$3,139,500.00  
Schedule: See Schedules

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 02 25  
Mississauga Transferor(s)  
L4W 4Y6

Tel 905-629-7800  
Fax 905-629-4350

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

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 02 25  
Mississauga Transferee(s)  
L4W 4Y6

Tel 905-629-7800  
Fax 905-629-4350

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



**Submitted By**

HARRIS + HARRIS LLP

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

2014 02 25

Tel 905-629-7800

Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12848

**SCHEDULE  
TO  
TRANSFER OF CHARGE**

**Additional Transferee(s):**

Transferee (s):	Capacity	Share
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #111210 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$200,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110833 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$26,300.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119757 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$50,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119754 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$47,500.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #115786 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$192,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120334 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$25,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119666 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta		As to \$30,000.00 interest

T2G OP6	
Name:	OLYMPIA TRUST COMPANY As to \$38,800.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #114083 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120667 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$38,700.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120275 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$30,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120274 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$50,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109772 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118464 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #117536 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6
Name:	OLYMPIA TRUST COMPANY As to \$24,700.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120555 2200, 125 – 9TH Ave. S. E. Calgary, Alberta

---

T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$25,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #118993  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$165,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #119859  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$20,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #110694  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,600.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #118463  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$52,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #114364  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$22,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #113009  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$30,700.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120748  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$30,700.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120840  
2200, 125 – 9TH Ave. S. E.

	Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$150,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120333 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$50,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110467 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$99,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119271 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$99,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118631 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$49,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118403 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$29,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119189 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$100,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116907 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$100,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116908 2200, 125 – 9TH Ave. S. E.	

	Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$50,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #115475 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$55,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119792 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #114112 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120256 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$45,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #117718 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$40,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #115869 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$26,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118089 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$21,800.00 interest
Address for	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118740	

Service:	2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$315,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116458 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$54,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116607 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120276 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,400.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118090 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$26,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118091 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$31,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120255 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118232 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address	OLYMPIA TRUST COMPANY	

for Service:	IN TRUST FOR RRSP #115010 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108827 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$24,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #117747 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$40,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #117644 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118396 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$65,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118224 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$34,600.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108314 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$71,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #115746 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$23,000.00



Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116684 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	interest
Name:	OLYMPIA TRUST COMPANY	As to \$24,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116683 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$22,800.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108839 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$57,200.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116442 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$31,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #116448 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	

(Optional) Statements: The Chargee transfers the selected Charge for \$3,139,500.00.

**Properties**

*PIN* 22507 - 0109 LT  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVENUE  
 KITCHENER

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
WR804321	2014 02 25	Charge/Mortgage
WR804323	2014 02 25	Transfer Of Charge

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
MC TRUSTEE (KITCHENER) LTD.		as to \$2,074,700.00 interest
2355 Skymark Avenue Suite 300 Mississauga, Ontario L4W 4Y6		
OLYMPIA TRUST COMPANY		as to \$4,425,300.00 interest
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # - see schedule attached 2200, 125 9th Ave. S.E. Calgary, Alberta T2G 0P6		

**Statements**

The chargee transfers the selected charge for \$1,285,800.00

Schedule: See Schedules

**Signed By**

Candace Sarah Tashos 2355 Skymark Ave, Ste 300 acting for Signed 2014 04 17  
 Mississauga Transferor(s)  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

Candace Sarah Tashos 2355 Skymark Ave, Ste 300 acting for Signed 2014 04 17  
 Mississauga Transferee(s)  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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



**SCHEDULE  
TO  
TRANSFER OF CHARGE**

**Additional Transferee(s):**

Transferee (s):	Capacity	Share
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120838 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$24,700.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120277 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$47,800.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120252 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$65,500.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120760 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$56,700.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120359 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$20,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120746 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$50,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121908 2200, 125 – 9TH Ave. S. E. Calgary, Alberta		As to \$40,700.00 interest

---

T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$62,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120821  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$22,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #121916  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$22,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #121911  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$55,500.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120914  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$93,500.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120566  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$125,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120387  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$25,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120623  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G OP6

---

Name: OLYMPIA TRUST COMPANY As to \$30,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #117645  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$30,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120916  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$155,400.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #121383  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$50,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120553  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$36,500.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120918  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$31,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #122601  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$122,000.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120563  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$36,700.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120174  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$58,800.00 interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #120170  
2200, 125 – 9TH Ave. S. E.

---

Calgary, Alberta  
T2G 0P6

---

Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address	OLYMPIA TRUST COMPANY	
for	IN TRUST FOR RRSP #120917	
Service:	2200, 125 – 9TH Ave. S. E.	
	Calgary, Alberta	
	T2G 0P6	

---

*(Optional)* Statements: The Chargee transfers the selected Charge for \$1,285,800.

\\hhsbs\Company\WP51\H 12001-13000\12848\Documents\Transfer of Charge\Schedule V3.docx

**Properties**

*PIN* 22507 - 0109 LT  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVE NUE  
 KITCHENER

**Consideration**

*Consideration* \$2.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

*Name* MEMORY CARE INVESTMENTS (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Party To(s)***Capacity**Share*

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, Bhaktraj Singh, A.S.O., have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* IN TRUST FOR RRSP # - see schedule attached  
 2200, 125 9th Avenue S.E.  
 Calgary, Alberta  
 T2G 0P6

I, Vibha Bhagat, Supervisor & Charlie Griffith, Supervisor, have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, WR804321 registered on 2014/02/25 to which this notice relates is deleted

Schedule: Charge Amending Agreement to increase the Principal Amount of the Charge, registered as WR804321 on February 25, 2014, from \$ 6,500,000 to \$ 10,600,000, with all other terms and conditions of the Charge to remain the same.

This document relates to registration no.(s)WR804321, WR804323 and WR811879.

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 12  
 Mississauga Applicant(s)  
 L4W 4Y6

Tel 905-629-7800  
 Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2015 05 15  
 Mississauga  
 L4W 4Y6



**Submitted By**

Tel 905-629-7800

Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Applicant Client File Number : 12848

**Properties**

*PIN* 22507 - 0109 LT  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVENUE  
KITCHENER

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
WR804321	2014 02 25	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite 300  
Mississauga, Ontario  
L4W 4Y6

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

	<i>Capacity</i>	<i>Share</i>
<i>Name</i> OLYMPIA TRUST COMPANY		As to \$6,714,100.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # - see schedule attached 2200, 125-9th Avenue S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> MC TRUSTEE (KITCHENER) LTD.		As to \$3,862,700.00 interest
<i>Address for Service</i> 2355 Skymark Avenue, Suite 300 Mississauga, Ontario L4W 4Y6		

**Statements**

The chargee transfers the selected charge for \$2,288,800.00  
Schedule: See Schedules  
This document relates to registration no.(s)WR804321, WR804323,WR811879, WR881066.

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 15  
Mississauga Transferor(s)  
L4W 4Y6

Tel 905-629-7800  
Fax 905-629-4350

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

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 15  
Mississauga Transferee(s)  
L4W 4Y6

Tel 905-629-7800  
Fax 905-629-4350

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



**SCHEDULE TO  
TRANSFER OF CHARGE**

**MC TRUSTEE (KITCHENER) LTD. holds a \$3,862,700.00 interest in the Charge; and,  
OLYMPIA TRUST COMPANY holds a \$6,714,100.00 interest in the Charge.**

<b>Additional Transferees(s) Name &amp; Address For Service</b>	<b>Olympia Trust RRSP Account #</b>	<b>As to Share Interest Amount</b>
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131043	\$33,400.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131042	\$17,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131460	\$36,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	103942	\$50,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	110728	\$50,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132216	\$30,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131649	\$36,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130677	\$40,800.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	106461	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E.	130969	\$27,300.00

Calgary, Alberta T2G 0P6		
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130968	\$19,300.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130970	\$346,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	17643	\$25,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131185	\$128,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131655	\$35,700.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133620	\$29,600.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132585	\$32,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133057	\$36,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	122071	\$36,400.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	107346	\$30,000.00

OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133399	\$36,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	124805	\$158,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	125989	\$26,200.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132518	\$85,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132174	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132971	\$50,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132938	\$107,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131962	\$25,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131440	\$25,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130966	\$73,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta	113916	\$38,500.00

T2G OP6		
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132806	\$101,900.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	108971	\$28,200.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132175	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133827	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	107915	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133010	\$36,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133009	\$36,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	115611	\$59,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	131956	\$55,800.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133058	\$30,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E.	131111	\$53,000.00

Calgary, Alberta T2G OP6		
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133047	\$60,700.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133056	\$36,500.00
<b>TOTAL</b>		<b>\$2,288,800.00</b>



**Properties**

*PIN* 22507 - 0109 LT  
*Description* LT 6 PL 655 KITCHENER; KITCHENER  
*Address* 169 BORDEN AVE NUE  
KITCHENER

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
WR804321	2014 02 25	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite 300  
Mississauga, Ontario  
L4W 4Y6

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP # - See  
Schedule Attached  
2200, 125 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

I, Johnny Luong, Team Lead, and Charlie Griffith, Supervisor, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

*Capacity*

*Share*

*Name* MC TRUSTEE (KITCHENER) LTD.  
*Address for Service* 2355 Skymark Avenue, Suite 300  
Mississauga, Ontario  
L4W 4Y6

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP # - see schedule attached  
2200, 125 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

**Statements**

The chargee transfers the selected charge for \$65,500.00  
Schedule: See Schedules

**Signed By**

Maria Da Silva	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferor(s)	Signed 2016 08 10
----------------	---	-----------------------------	-------------------

Tel 905-629-7800  
Fax 905-629-4350

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



**SCHEDULE TO  
TRANSFER OF CHARGE**

<b>Additional Transferor/Transferees(s) Name &amp; Address for Service</b>	<b>Olympia Trust RRSP Account #</b>	<b>As to Share Interest Amount</b>
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # (see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	<b>DELETE – RRSP # 120252</b>	<b>\$65,500.00</b>
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # (see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	<b>INSERT – RRSP # 146805</b>	<b>\$65,500.00</b>

W:\H 12001-13000\12848\Documents\Transfer of Charge\Schedule V1 (June 28, 2016).docx



**Properties**

*PIN* 24821 - 0111 LT *Interest/Estate* Fee Simple  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT  
 THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
*Address* 109 GARDEN DR  
 OAKVILLE

*PIN* 24821 - 0112 LT *Interest/Estate* Fee Simple  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ;  
 S/T TW22975,TW23033 OAKVILLE/TRAFALGAR  
*Address* 103 GARDEN DR  
 OAKVILLE

**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* MEMORY CARE INVESTMENTS (OAKVILLE) LTD.  
*Address for Service* c/o Gregory H. Harris  
 Harris + Harris LLP  
 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

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

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

**Statements**

Schedule: See Schedules

**Provisions**

*Principal* \$3,000,000.00 *Currency* CDN  
*Calculation Period* See Schedule  
*Balance Due Date* See Schedule  
*Interest Rate* See Schedule  
*Payments*  
*Interest Adjustment Date*  
*Payment Date* See Schedule  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 200033  
*Insurance Amount* full insurable value  
*Guarantor*

**Signed By**

Gregory Harrington Harris 2355 Skymark Ave, Ste 300 acting for Chargor Signed 2012 10 29  
 Mississauga (s)  
 L4W 4Y6

Tel 9056297800

**Signed By**

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

2012 10 29

Tel 9056297800

Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Chargor Client File Number : 12205

**PROVIDED THIS CHARGE/MORTGAGE OF LAND TO BE VOID** upon payment at the office of the Chargee at 2355 Skymark Avenue, Suite 300, Mississauga, Ontario, L4W 4Y6 of Three Million (\$3,000,000) Dollars of lawful money of Canada with interest at the rate of eight percent (8.00%) per annum, calculated daily and payable on the earlier of demand or quarterly as herein set forth, as well after as before maturity and both before and after default plus the Additional Loan Payment (as defined and payable in accordance with the Loan Agreement) as follows: the whole of said principal sum of \$3,000,000 then outstanding shall become due and payable on October 29, 2016 and interest at the rate and calculated aforesaid on the amount advanced from time to time shall become due and payable on the earlier of demand or quarterly on the first day of the first month in each quarter (or three-month period as determined by the Chargee, acting reasonably) from and including January 1, 2013 to and including the day that the aforesaid principal sum is repaid in full. The first payment of interest to be computed from the date of the first advance to become due and payable on the first day of the third month or quarter (as determined by the Chargee, acting reasonably) immediately following the month that the first advance takes place which, for the sake of clarity, if the first advance is made in October of 2012, then the first payment of interest payable by the Chargor under this Charge shall be January 1, 2013.

**AND** taxes; and observance and performance of all covenants, provisos and conditions herein contained.

**AND** it is hereby agreed that in case default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the rate aforesaid, and in case the interest and compound interest are not paid in one (1) month from the time of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the said lands.

(10) **STANDARD CHARGE TERMS**

10.1 **Defined Terms** – Unless otherwise expressly defined or otherwise required by the context, the following words and phrases shall have the following meanings when used in this Charge:

- (a) **“Charge”** means the Charge/Mortgage to which these Standard Charge Terms are attached as a schedule or which refers to the filing number of these Standard Charge Terms, as the case may be, and all schedules attached to such Charge/Mortgage of Land, and all amendments thereto and replacements thereof from time to time;
- (b) **“Chargee”** means all persons in whose favour this Charge is given and who is or are named in this Charge as Chargee;
- (c) **“Chargor”** means all persons who have given this Charge and who have executed the same as Chargor;
- (d) **“Costs”** includes all costs and expenses of every nature and kind whatsoever incurred by the Chargee or paid by the Chargee to any other party or Person in connection with the protection and preservation of the Lands or any other security held by the Chargee whether pursuant to this Charge, the Loan Agreement or otherwise, or for the purpose of preserving and maintaining the enforceability and priority of this Charge and any such other security, or in connection with any and all demands and enforcement proceedings of every nature and kind made or carried out by or on behalf of the Chargee under or pursuant to this Charge or the Loan Agreement, and includes, without limitation, legal costs incurred by the Chargee on a solicitor and client scale;
- (e) **“Covenantor”** means any party to this Charge expressly defined as such and any and all Persons who have directly, indirectly, as principal debtor or as surety covenanted to pay or guaranteed payment of the whole

or any part of the amount or amounts secured by this Charge or which are owing under the loan facilities referred to in the Loan Agreement or who have covenanted to perform or guaranteed performance by the Chargor of its obligations under this Charge or under the Loan Agreement or under any security given in connection therewith;

- (f) **“Environmental Laws”** means any and all applicable statutes, laws, by-laws, regulations, rules, codes, orders, directives, guidelines, permits and other lawful requirements, now or hereafter in effect, of any federal, provincial, municipal or other governmental authority having jurisdiction in connection with or pertaining to any Hazardous Substance or to the protection of the natural environment or the health or welfare of any living thing;
- (g) **“Hazardous Substance”** means any pollutant, contaminant, waste or other substance (i) the store, manufacture, disposal, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled or regulated or licensed under any Environmental Law; or (ii) which in the Chargee’s opinion, acting reasonably, may, immediately or in the future, directly or indirectly, cause harm or degradation to the environment or to the health or welfare of any living thing;
- (h) **“Lands”** means the lands, tenements, hereditaments and appurtenances and any estate or interest therein described in this Charge, and all buildings and improvements now or hereafter situate or constructed thereon, and all easements, rights-of-way and other appurtenances thereto, and all structures, additions, improvements, machinery, equipment, decorations and other fixtures of every nature and kind (whether or not affixed in law) attached thereto or placed, installed or erected thereon or used in connection therewith;
- (i) **“Loan Agreement”** means a certain loan agreement dated as of the 8<sup>th</sup> day of June, 2012 by and between the Chargor and the Chargee, as may be amended or restated from time to time;
- (j) **“Person”** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;
- (k) **“Receiver”** means any receiver, receiver and manager, receiver-manager or trustee of the Lands as may be appointed from time to time by the Chargee pursuant to the provisions of this Charge or by any court of competent jurisdiction; and,
- (l) **“Taxes”** means all taxes, rates, assessments, local improvement charges, levies, penalties and other charges imposed upon or in respect of the Lands by any governmental authority having jurisdiction.

10.2 **Statutory References** – Unless expressly stipulated or otherwise required by the context, all references in this Charge to any federal, provincial or municipal statute, regulation, by-law, order, directive or other governmental enactment shall be deemed to be and construed as a reference to the same as amended from time to time.

10.3 **Exclusion of Statutory Covenants** – The implied covenants deemed to be included in a charge under sub-section 7(1) of the Land Registration Reform Act (Ontario) shall be and are hereby expressly excluded and replaced by the terms hereof which are covenants by the Chargor, for and on behalf of the Chargor, with the Chargee.

10.4 **Short Form of Mortgages Act** – If any of the forms of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474, 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 Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the said Act was still in full force and effect.

10.5 **Proviso for Redemption** – Provided this Charge to be void upon payment of the principal sum hereby secured, in lawful money of Canada, with interest as herein provided and taxes and performance of statute labour and performance of all covenants and agreements contained in this Charge.

10.6 **Release** – The Chargor releases to the Chargee all its claims upon the Lands subject to the proviso for redemption herein.

10.7 **Advance of Funds** – The Chargor agrees that neither the preparation, execution nor registration of this Charge shall bind the Chargee to advance the monies hereby secured, nor shall the advance of a part of the principal sum herein bind the Chargee to advance any unadvanced portion thereof, but nevertheless the estate hereby charged shall take effect forthwith upon the execution of this Charge by the Chargor, and the expenses of the examination of the title and of this Charge and valuation are to be secured hereby in the event of the whole or any balance of the principal sum herein not being advanced, the same to be charged hereby upon the Lands, and shall be without demand thereof, payable forthwith with interest at the rate provided for in this Charge, and in default the remedies herein shall be exercisable.

10.8 **Chargor's Covenants** – The Chargor covenants with the Chargee as follows:

- (a) that the Chargor will pay the principal sum herein and interest and the Additional Loan Payment and observe the proviso for redemption herein, and will pay as they fall due all Taxes and when required by the Chargee, shall transmit the receipts therefor to the Chargee;
- (b) that the Chargor will pay all amounts which are payable hereunder or which are capable of being added to the principal sum herein pursuant to the provisions of this Charge or the Loan Agreement including, without limiting the generality of the foregoing, all servicing or other fees, Costs or charges provided for herein; all insurance premiums; the amount paid for the supply of any fuel or utilities to the Lands; all Costs, commissions, fees and disbursements incurred by the Chargee in constructing, inspecting, appraising, selling, managing, repairing or maintaining the Lands; all Costs incurred by the Chargee, including legal costs on a solicitor and his own client basis, with respect to the Charge or the enforcement thereof or incurred by the Chargee arising out, of or in any way related to this Charge; any amounts paid by the Chargee on account of any encumbrance, lien or charge against the Lands and any and all Costs incurred by the Chargee arising out of, or in any way related to, the Chargee realizing on its security by sale or lease or otherwise;
- (c) that the Chargor has a good title in fee simple to the Lands and has good right, full power and lawful and absolute authority to charge the Lands and to give this Charge to the Chargee upon the covenants contained in this Charge;
- (d) that the Chargor has not done, committed, executed or willfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the Lands, or any parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose; and free from all encumbrances except as may be permitted by the Chargee, acting reasonably or as set forth in the Loan Agreement;
- (e) that the Chargor will execute such further assurances of the Lands as may be requisite; and
- (f) that the Chargor will produce the title deeds and allow copies to be made at the expense of the Chargor.

10.9 **Compliance with Laws and Regulations** – The Chargor shall, in its ownership, operation and use of the Lands, promptly and at all times observe, execute and comply with all laws, Environmental Laws, rules, requirements, orders, directions, ordinances, and regulations of every governmental authority or agency having jurisdiction with respect to the same, and further agrees at its cost and expense to take any and all steps or make any improvements or alterations thereto, structural or otherwise, ordinary or extraordinary, which may be required at any time hereafter by any such present or future laws, rules, requirements, orders, directions, ordinances or regulations.

10.10 **Change of Use** – The Chargor will not change or permit to be changed the existing use or uses of the Lands without the prior written consent of the Chargee.

10.11 **Repair** – The Chargor will keep the Lands including the buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof, and the Chargee may, whenever it deems necessary, enter upon and inspect the Lands, and the cost of such inspection shall be added to the indebtedness secured hereunder, and if the Chargor neglects to keep the Lands in good condition and repair, or commits or permits any act of waste on the Lands (as to which the Chargee shall be sole judge) or makes default as to any of the covenants or provisos herein contained, the principal sum herein shall, at the option of the Chargee, forthwith become due and payable, and in default of payment thereof with interest as in the case of payment before maturity, the powers of entering upon and leasing or selling hereby given may be exercised forthwith and the Chargee may make such repairs as it deems necessary, and the cost thereof with interest at the rate aforesaid shall be added to the monies hereby secured and shall be payable forthwith and be a charge upon the Lands prior to all claims thereon subsequent to this Charge.

10.12 **Alterations or Additions** – Except as contemplated in Section 10.57 hereof, the Chargor will not make or permit to be made any alterations or additions to the Lands without the prior written consent of the Chargee, which consent may be withheld in the Chargee's sole discretion or may be given only subject to compliance with such terms and conditions at the cost of the Chargor as the Chargee may impose.

10.13 **Lands Include All Additions** – The Lands shall include all structures and installations brought or placed on the Lands for the particular use and enjoyment thereof or as an integral part of or especially adapted for the buildings thereof whether or not affixed in law to the Lands including, without limiting the generality of the foregoing, piping, plumbing, electrical equipment or systems, aeriels, refrigerators, stoves, clothes washers and dryers, dishwashers, incinerators, radiators and covers, fixed mirrors, fitted blinds, window screens and screen doors, storm windows and storm doors, shutters and awnings, floor coverings, fences, air conditioning, ventilating, heating, lighting, and water heating equipment, cooking and refrigeration equipment and all component parts of any of the foregoing and that the same shall become fixtures and an accession to the freeholder and a part of the realty.

10.14 **INTENTIONALLY DELETED**

10.15 **Inspection** – The Chargee shall have access to and the right to inspect the Lands at all reasonable times.

10.16 **Taxes** – With respect to Taxes, the Chargor covenants and agrees with the Chargee that:

- (a) The Chargee may deduct from any advance of the monies secured by this Charge an amount sufficient to pay all Taxes which have become due and payable during any calendar year.
- (b) The Chargee may at its sole option estimate the amount of the Taxes payable in each year and the Chargor shall forthwith upon demand of the Chargee pay to the Chargee one-twelfth (1/12) of the estimated annual amount of such Taxes on the 1<sup>st</sup> day of each and every month during the term of this Charge commencing with the 1<sup>st</sup> day of the first full month of the term of this Charge. The Chargee may at its option apply such payments to the Taxes so long as the Chargor is not in default under any covenant or agreement contained

in this Charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of Taxes more often than yearly. Provided however, that if the Chargor shall pay any sum or sums to the Chargee to apply on account of Taxes, and if before such payments have been so applied by the Chargee, there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payment of the principal and interest in default. If the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of Taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose.

- (c) In the event that the Taxes actually charged in a calendar year, together with any interest and penalties thereon, exceed the amount estimated by the Chargee as aforesaid, the Chargor shall pay to the Chargee, on demand, the amounts required to make up the deficiency. The Chargee may at its option, pay any of the Taxes when payable, either before or after they are due, without notice, or may make advances therefor in excess of the then amount of credit held by the Chargee for Taxes. Any excess amount advanced by the Chargee shall be secured as an additional principal sum under this Charge and shall bear interest at the rate as provided for in this Charge until repaid by the Chargor.
- (d) The Chargor shall transmit and deliver to the Chargee all assessment notices, tax bills and other notices pertaining to the imposition of Taxes forthwith after receipt thereof.
- (e) The Chargor shall pay to the Chargee, in addition to any other amounts required to be paid hereunder, the amount required by the Chargee in its sole discretion for a reserve on account of future liability for Taxes.
- (f) In no event shall the Chargee be liable for any interest on any amount paid to it on account of Taxes and the monies so received may be held with its own funds pending payment or application thereof as herein provided; provided that in the event that the Chargee does not utilize the funds received on account of Taxes in any calendar year, such amount or amounts may be held by the Chargee on account of any pre-estimate of Taxes required for the next succeeding calendar year, or at the Chargee's option the Chargee may repay such amount to the Chargor without any interest.
- (g) The Chargor shall in all instances be responsible for the payment of any and all penalties resulting from any arrears of Taxes or any late payment of current instalments thereof, and at no time shall such penalties be the responsibility of the Chargee.
- (h) In the event the Chargee does not collect payments on account of Taxes as aforesaid, the Chargor shall deliver to the Chargee or on before December 31<sup>st</sup> in each calendar year or such other times or dates that the Chargee requests, written evidence from all taxing authorities having jurisdiction to the effect that all Taxes for the then current calendar year and any preceding calendar years have been paid in full, failing which, the Chargee shall be entitled to charge a servicing fee for each written inquiry directed to such taxing authorities or the Chargor for the purpose of ascertaining the status of the Taxes together with any costs payable to such taxing authorities for such information.

10.17            **Utilities** – The Chargor covenants that it will pay all utility and fuel charges related to the Lands as and when they are due. Except as may be necessary during the course of construction upon the Lands, the Chargor will not allow or cause the supply of utilities or fuel to the Lands to be interrupted or discontinued and that, if the supply of fuel oil or utilities is interrupted or discontinued, the Chargor will take all steps that are necessary to ensure that the supply of utilities or fuel is restored forthwith.

10.18            **Insurance** – The Chargor will insure and keep insured during the term of this Charge the buildings and other improvements on the Lands (now or hereafter erected) on an all-risks basis in an amount of not less than the greater of the full replacement value of the buildings located thereon from time to time, or the principal

money herein, with no co-insurance provisions and with the Chargee's standard mortgage clause forming part of such insurance policy. The Chargor shall carry such liability, rental, boiler, plate glass and other insurance coverage as is required by the Chargee to be placed with such insurance companies and in such amounts and in such forms as may be acceptable to the Chargee. All such policies shall provide for loss payable to the Chargee and contain such additional clauses and provisions as the Chargee may require. An original of all insurance policies and endorsements from the insurer to the effect that coverage has been bound and/or extended for a minimum period of at least one year and that all premiums with respect to such term of such coverage have been paid in full, shall be produced to the Chargee prior to any advance and at least thirty (30) days before expiration of any term of any such respective policy, failing which the Chargee may provide thereof and charge the premium paid thereof and interest thereon at the aforesaid rate to the Chargor and any amounts so paid by the Chargee shall be payable forthwith to the Chargee and shall also be a charge upon the Lands and secured by this Charge. It is further agreed that the Chargee may at any time require any insurance on the said buildings to be cancelled and new insurance effected with a company to be named by it, and also may, of its own accord, effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be forthwith payable to it, together with interest at the rate aforesaid by the Chargor (together with any costs of the Chargee as herein set out), and shall be a charge upon the Lands and secured by this Charge.

In the event that the evidence of continuation of such insurance as herein required has not been delivered to the Chargee within the required time, the Chargee shall be entitled to a servicing fee for each written inquiry which the Chargee shall make to the insurer or the Chargor pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the Lands, the Chargee, in addition to the aforementioned servicing fee, shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

In the event of any loss or damage, the Chargor shall forthwith notify the Chargee in writing and notwithstanding any other provision to the contrary, statutory or otherwise, in the event of any monies becoming payable pursuant to any insurance policy herein required, the Chargee may, at its option, require the said monies to be applied by the Chargor in making good the loss or damage in respect of which the monies is received, or in the alternative, may require that any or all of the monies so received by applied in or towards satisfaction of any or all of the indebtedness hereby secured whether or not such indebtedness has become due. No damage may be repaired nor any reconstruction effected without the approval in writing of the Chargee in any event.

The Chargor, upon demand, will transfer all policies of insurance provided for herein and the indemnity which may become due therefrom to the Chargee. The Chargee shall have a lien for the indebtedness hereby secured on all the said insurance proceeds and policies, and may elect to have these monies applied as it may deem appropriate, including payment of monies secured hereby, whether due or not, but the Chargee shall not be bound to accept the said monies in payment of any principal not yet due.

10.19 **Remittance and Application of Payments** – All payments of principal, interest and other monies payable hereunder to the Chargee shall be payable at par in lawful money of Canada at the Chargee's address for service as set out in this Charge or at such other place as the Chargee shall designate in writing from time to time. In the event that any of the monies secured by this Charge are forwarded to the Chargee by mail, payment will not be deemed to have been made until the Chargee has actually received such monies and the Chargor shall assume and be responsible for all risk of loss or delay. Notwithstanding anything herein to the contrary, in the event of any default under this Charge, the Chargee may apply any payments received in whatever order the Chargee may elect as between principal, interest, realty taxes, insurance premiums, repairs, costs and any other advances or payments made by the Chargee hereunder.

10.20 **Receipt of Payment** – Any payment received after 2:00 p.m. on any date shall be deemed, for the purpose of calculation of interest to have been made and received on the next bank business day and the Chargee

shall be entitled to interest on the amount due it, to and including the date on which the payment is deemed by this provision to have been received.

10.21 **No Deemed Re-investment** – Except in the case where this Charge provides for blended payments of principal and interest whether paid monthly or otherwise, the parties hereto agree that the Chargee shall not be deemed to reinvest any monthly or other payments received by it hereunder.

10.22 **Prepayment** – At any time after the third anniversary of this Charge, the Chargor shall be entitled to prepay all or any portion of the principal amount outstanding pursuant to this Charge. The Chargor, on prepayment of any portion of the principal outstanding pursuant to this Charge, shall pay to the Chargee a prepayment fee equal to four percent (4%) of the principal amount to be prepaid, divided by 365 and then such result is multiplied by the number of days from the date of prepayment to the originally scheduled date of maturity. The Chargor shall not be obligated to pay any other amounts, bonus or interest on such prepaid principal to the Chargee, including any claim for loss of future interest after the date of repayment of the prepaid principal. Where there is more than one Chargee, any partial prepayment, in accordance with this section, shall be made pro rata to all Chargees. For greater certainty, the Chargee shall remain entitled to the Additional Loan Payment for the first three years of the term of this mortgage, in addition to the prepayment fee.

10.23 **Postdated Cheques** – The Chargor shall, if and when required by the Chargee, deliver to the Chargee upon the first advance of moneys hereunder or upon request and thereafter on each anniversary date thereof in each year for the duration of the term of this Charge, postdated cheques for the payments of principal, interest and estimated realty taxes required to be made herein during the twelve month period commencing on each such anniversary date. In the event of default by the Chargor in delivery to the Chargee of the postdated cheques as herein provided, this Charge shall be deemed in default and the Chargee shall be entitled to pursue any and all of its remedies herein and/or at law as it may deem necessary at its option. In addition, the Chargee upon the Chargor's failure to deliver such postdated cheques as required hereunder shall be entitled to a servicing fee for each written request that it makes to the Chargor for the purpose of obtaining such postdated cheques. Any step taken by the Chargee hereunder by way of a request for further postdated cheques shall be without prejudice to the Chargee's rights hereunder to declare the Charge to be in default in the event that such postdated cheques are not delivered within the required time.

10.24 **Dishonoured Cheques** – In the event that any of the Chargor's cheques are not honoured when presented for payment to the drawee, the Chargor shall pay the Chargee for each such returned cheque a servicing fee to cover the Chargee's administration costs with respect to same. In the event that the said cheque which has not been honoured by the drawee is not forthwith replaced by the Chargor, the Chargee shall be entitled to a further servicing fee for each written request therefor which may be necessitated by the Chargor not forthwith replacing such dishonoured cheque.

10.25 **Financial and Operating Statements** – The Chargor covenants that, within the periods of time hereinafter specified, or within such other period(s) of time as may be specified by the Loan Agreement, the Chargor shall deliver or cause to be delivered to the Chargee the following:

- (a) within 60 days after the end of each fiscal quarter of operation to the Lands, quarterly financial reports, including the balance sheet and statement of income for the quarter and on a year-to-date basis, with details of accounts payable and all priority payables, certified as accurate by an appropriate corporate officer;
- (b) within 120 days after the end of each fiscal year of operation of the Lands, an annual operating statement in respect of the Lands for the immediately preceding fiscal year setting forth the gross rents and other income derived from the Lands, the cost and expenses of operation and maintenance of the Lands and such other information and explanations in respect of the same as may be required by the Chargee;

- (c) within 120 days after the end of each fiscal year of each Chargor and Covenantor which is a corporation, the annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Chargee;
- (d) with respect to each Chargor and Covenantor who is an individual and within 30 days after each anniversary of the date of the Loan Agreement, an annual updated net worth statement of each such individual in such form and including such content and other information and explanations as may be required by the Chargee; and
- (e) such further or other information as the Chargee may reasonably require from time to time in the monitoring and managements of its risk.

All such operating and financial statements shall be prepared at the expense of the Chargor and in accordance with generally accepted accounting principles applied on a consistent basis and on a review engagement basis by a duly qualified chartered accountant or certified public accountant which is acceptable to the Chargee, and the completeness and correctness of such statements shall be supported by an affidavit of an unauthorised officer of the Chargor or Covenantor, as the case may be.

10.26 **Estoppel Acknowledgements** – If and whenever the Chargee requests an acknowledgement from the Chargor as to the statement of account with respect to this Charge or the status of the terms and conditions of this Charge, the Chargor shall execute such an acknowledgement in such form as may be required by the Chargee provided that the contents of such form are correct, and the Chargor shall do so forthwith upon request and without cost to the Chargee and shall return such acknowledgement duly executed within forty-eight (48) hours of such request.

10.27 **Statements of Account** – The Chargor shall be entitled to receive upon written request, a statement of account with respect to this Charge as of any payment date under this Charge and the Chargee shall be entitled to a servicing fee for each such statement.

10.28 **Renewal or Extension of Time** – No renewal or extension of the terms of this Charge given by the Chargee to the Chargor, or anyone claiming under him, or any other dealing by the Chargee with the owner of the equity of redemption of the Lands, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the monies hereby secured, and this Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest, or amended from time to time as to any of its terms, including, without limitation, an increase of interest rate or principal amount notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority for this Charge so altered over any instrument registered subsequent to this Charge; provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

Provided further that the terms of this Charge may be amended or extended from time to time by mutual agreement between the Chargor and the Chargee and the Chargor hereby further covenants and agrees that, notwithstanding that the Chargor may have disposed of his interest in the Lands hereby secured, the Chargor will remain liable as a principal debtor and not as a surety for the observance of all of the terms and provisions herein and will in all matters pertaining to this Charge well and truly do, observe, fulfill and keep all and singular the covenants, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof notwithstanding the given of time for the payment of the Charge or the varying of the terms of the payment thereof or the rate of interest thereon or any other indulgence by the Chargee to the Chargor.

The Chargor covenants and agrees with the Chargee that no agreement for renewal hereof or for extension of the time for payment of any monies payable hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the original term of this Charge or of any subsequent term agreed to in writing between the Chargor and the Chargee, and that no renewal hereof or extension of the time for payment of any monies hereunder shall result from, or be implied from, any other act, matter or thing, save only express agreement in writing between the Chargor and the Chargee.

10.29            **Construction Liens** – The Chargee may, at its option, withhold from any advances for which the Chargor may have qualified such amounts as the Chargee, in its sole discretion, considers advisable so as to ensure the priority of all advances over all liens arising under any construction lien legislation until such time as the Chargee is fully satisfied that all lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this Charge shall be construed to make the Chargee an “owner” or “payer” as defined under any construction lien legislation, nor shall there be or be deemed to be any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be retained by the “owner” or “payer” pursuant to any construction lien legislation shall remain solely the Chargor’s obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of all construction lien legislation.

10.30            **Expropriation** – If the Lands or any part thereof shall be expropriated by any government, authority, body or corporation clothed with the powers of expropriation, the principal sum herein remaining unpaid shall at the option of the Chargee forthwith become due and payable together with interest thereon at the rate provided for herein to the date of payment together with a bonus equal to the aggregate of (a) three months’ interest at the same rate calculation on the amount of the principal remaining unpaid, AND (b) one month’s interest at the rate provided for herein calculated on the principal remaining unpaid, for each full year of the term of this Charge or any part of such year from the said date of payment to the date the said principal sum or balance thereof remaining unpaid would otherwise under the provisions of this Charge become due and payable and in any event all the proceeds of any expropriation shall be paid to the Chargee at its option in priority to the claims of any other party.

10.31            **INTENTIONALLY DELETED**

10.32            **Sale or Change of Control** – In the event of a further encumbrance or a sale, conveyance or transfer of the Lands or any portion thereof, or a change in control of the Chargor or a change in the beneficial ownership of the Lands or any portion thereof or a lease of the whole of the Lands, all sums secured hereunder shall, at the Chargee’s option, become due and payable forthwith unless the written consent of the Chargee has been first obtained, which consent shall not be unreasonably withheld. The rights of the Chargee pursuant to this provision shall not be affected or limited in any way by the acceptance of payments due under this Charge from the Chargor or any person claiming through or under him and the rights of the Chargee hereunder shall continue without diminution for any reason whatsoever until such time as the Chargee has consented in writing as required by this provision. No permitted sale or other dealing by the Chargor with the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured. The foregoing shall not apply to any sale to a bona fide arm’s length purchaser for value of a single family residential lot or condominium unit intended to be used by such purchaser for residential purposes.

10.33            **Event of Default** – Without limiting any of the provisions of this Charge, each of the following events shall be considered events of default hereunder upon the happening of which the whole of the principal sum outstanding and all interest accruing thereon and all amounts due hereunder shall immediately become due and payable at the option of the Chargee exercised by notice in writing to the Chargor:

- (a) Failure by the Chargor or any Covenantor to pay any instalment of principal, interest and/or any amounts owing under the Loan Agreement or this Charge including without limiting the generality of the foregoing, taxes under this Charge or under any charge or other encumbrance of the Lands, on the date upon which any of the payments for same become due;
- (b) Failure by the Chargor or any Covenantor to strictly and fully observe or perform any condition, agreement, covenant or term set out in the application or Loan Agreement for the loan secured by this Charge, the provisions of this Charge, or any other document giving contractual relationship as between them or any of them or if it is found at any time that any representation to the Chargee with respect to the loan secured by this Charge or in any way related thereto is incorrect or misleading;
- (c) Default by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in the Loan Agreement or any charge or other encumbrance affecting the Lands, whether or not it has priority over this Charge;
- (d) Upon the registration of any construction lien against the Lands which is not discharged or vacated on or before the date which is the earlier of 21 days after the date of registration of such construction lien and the day immediately preceding the last date upon which a legal action can be commenced in respect of such construction lien;
- (e) In the event that any Hazardous Substance is discovered in, on or under the Lands or any part thereof and the Chargee does not within seven (7) days after demand therefor by the Chargee immediately commence and thereafter diligently proceed to completely remove the same to the entire satisfaction of the Chargee;
- (f) In the event that the Lands are abandoned or there is any cessation of the business activities or any material part thereof now being conducted upon the Lands by the Chargor or the beneficial owner of the Lands or any of their respective officers, agents, employees, tenants or invitees;
- (g) If the Chargor or any Covenantor commits an act of bankruptcy or becomes insolvent or has a received or received and managed appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced upon the Lands or any part thereof or if any compromise or arrangement with creditors is made by any of them;
- (h) If the Chargor or any Covenantor shall fail to maintain reasonable currency with respect to the government priority payables.

10.34 **Default** – The Chargee may, on default of payment or in the performance of any covenant in this Charge contained or implied by law or statute, enter on and lease the Lands or in default of payment or in default in performance of any covenant in this Charge contained or implied by law or statute for at least fifteen (15) days may, on at least thirty-five (35) days' notice sell the Lands. Such notice shall be given to such persons and in such manner and form and within such time as provided under the Mortgages Act, as amended from time to time. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with a grown-up person on the Lands, if occupied, or by placing it on the Lands if unoccupied, or at the option of the Chargee, by mailing in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the Lands are situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained, or under disability. If there be legal personal representatives of the Chargor on the death of the Chargor, such notice may, at the option of the Chargee, be given in any of the above modes or by person service upon such representatives.



Provided further, without prejudice to the statutory powers of the Chargee under the preceding proviso, that in case default be made in the payment of the said principal or interest or any part thereof and such default continues for two months after any payment of either principal or interest falls due, the Chargee may exercise the powers given under the preceding proviso with or without entry on the Lands without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. And that the Chargee may sell the whole or any part or parts of the Lands by public auction or private contract, or partly one or partly the other; and that the proceeds of any sale hereunder may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Lands or by reason of non-payment or procuring payments of monies secured hereby or otherwise; and that the Chargee may sell any of the Lands on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which it shall deem proper; and may buy in or rescind or vary any contract for the sale of the whole or any part of the Lands and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder and the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no cause had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given, but any person damnified by an unauthorized, improper or irregular exercise of the power shall have his remedy against the person exercising the power in damages only.

And it is hereby agreed between the parties hereto that the Chargee may pay all premiums of insurance and all Taxes which shall from time to time fall due and be unpaid in respect of the Lands, and that such payments together with all costs, charges and legal fees (between a solicitor and his own client), and expenses which may be incurred in taking, recovering and keeping possession of the Lands, and of negotiating this loan, investigating title, and registering this Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize this security, (including legal fees, real estate commissions, appraisal costs and other costs incurred in leasing or selling the Lands or in exercising the power of entering, leasing and selling herein contained) shall be with interest at the rate aforesaid and shall be a charge upon the Lands in favour of the Chargee and that the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the Lands, and that any amount paid by the Chargee shall be added to the monies hereby secured and shall be payable forthwith with interest at the rate herein, and in default this Charge shall immediately become due and payable at the option of the Chargee, and all powers in this Charge conferred shall become exercisable. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the money advanced on the security of this Charge or otherwise, the Chargee shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or government so paid and is hereby authorized to obtain an assignment or discharge thereof, and to retain same, for whatever period the Chargee shall deem it proper to do so.

Provided that wherever a power of sale is hereby conferred upon the Chargee, all provisions hereof relating to exercising such power, including, without in any way limiting the generality of the foregoing, the persons to whom notice of exercising such power shall be given and the manner of giving such notice, shall be deemed to have been amended so as to comply with the requirements of law from time to time in force with respect to exercising such power of sale, and wherever there shall be a conflict between the provisions of this Charge relating to exercising such power of sale and the requirements of such law, the provisions of such law shall govern. Insofar as there is no such conflict, the provisions of this Charge shall remain unchanged.

Provided that the Chargee may lease or sell as aforesaid without entering into possession of the Lands.

Provided that the Chargee may distrain for arrears of interest and that the Chargee may distrain for arrears of principal and arrears of Taxes in the same manner as if the same were arrears of interest.

Provided that in default of the payment of the interest hereby secured the principal hereby secured shall become payable at the option of the Chargee, together with interest thereon.

Provided that upon default of payment of instalments of principal promptly as the same become due, the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.

Provided that, upon default under this Charge, the Chargee shall be entitled and shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter.

Provided that until default hereunder the Chargor shall have quiet possession of the Lands.

And that on default the Chargee shall have quiet possession of the Lands.

Provided that the Chargee may in writing at any time or times after default waive such default and upon such waiver the time or times for payment of the principal secured herein shall be as set out in the proviso for redemption herein. Any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default. No waiver shall be effective or binding on the Chargee unless made in writing.

And it is further agreed by and between the parties that the Chargee may at its discretion at any time, release any part or parts of the Lands or any other security or any surety for the money hereby secured either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the Lands or any person from this Charge or from any of the covenants herein contained, it being especially agreed that every part or lot into which the Lands are or may hereafter be divided does and shall stand charged with all of the monies hereby secured and no person shall have the right to require the principal secured hereunder to be apportioned; further the Chargee shall not be accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. No sale or other dealing by the Chargor with the equity of redemption in the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured.

It is further agreed that the Chargee may exercise all remedies provided for in this Charge concurrently or in such order and at such times as it may see fit and shall not be obligated to exhaust any remedy or remedies before exercising its rights under any other provisions contained in this Charge.

And without limiting any other provision of this Charge, the Chargor acknowledges and agrees that, upon the occurrence of any default under this Charge and whether or not the monies hereby secured have been fully advanced, the Chargee may, at any time and from time to time as the Chargee shall determine at its sole option and discretion, advance such further sums under this Charge as are necessary to pay any arrears of Taxes, utilities or other charges capable of constituting a lien upon the Lands pari passu with or in priority to this Charge, to pay all amounts due under any encumbrance having priority over this Charge, to pay all amounts required to discharge or vacate any construction lien registered against the Lands whether or not priority is claimed over this Charge, to maintain in good standing any policies of insurance in respect of the Lands, to maintain, repair, operate and/or manage the Lands and any or all improvements thereon, to complete construction or renovation of any improvements on the Lands, to realize upon any security held by the Chargee for the loan secured by this Charge and generally to enforce all of the Chargee's rights, title and interest hereunder and to protect the Lands and to

preserve the enforceability and priority of this Charge, and to pay any and all Costs; and all amounts advanced by the Chargee for any of the purposes as aforesaid shall bear interest at the rate applicable under this Charge from the date so advanced until repaid in full and shall be secured by this Charge in the same priority as the principal amount hereof.

10.35 **Right of Chargee to Repair** – The Chargor covenants and agrees with the Chargee that in the event of default in the payment of an instalment or other monies payable hereunder by the Chargor or on breach of any covenant, proviso or agreement herein contained, after all or any of the monies hereby secured have been advanced, the Chargee may, at such time or times as the Chargee may deem necessary and without the concurrence of any person, enter upon the Lands and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Lands or for inspecting, taking care of, leasing, collecting the rents of and generally managing the Lands, as the Chargee may deem expedient; and all reasonable costs, charges and expenses including, but not limited to, allowances for the time and services of any employee of the Chargee or other person appointed for the above purposes, and a servicing fee shall be forthwith payable to the Chargee by the Chargor and shall be a charge upon the Lands and shall bear interest at the aforesaid rate until paid.

10.36 **Appointment of a Receiver** – It is declared and agreed that at any time and from time to time when there shall be default under the provisions of this Charge, the Chargee may at such time and from time to time and with or without entering into possession of the Lands appoint in writing a Receiver of the Lands, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the Mortgages Act (Ontario), the Construction Lien Act (Ontario), or the Trustee Act (Ontario) as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Lands or any part thereof and the Chargor hereby consents to a Court Order for the appointment of such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the Chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, please and/or sell the Lands and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Lands, including without limitation, charges and construction lien claims. Upon the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) A Statutory Declaration made by the Chargee or by any authorized representative of the Chargee as to default under the provisions of this Charge shall be conclusive evidence thereof;
- (b) Every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect to the Lands, or any part thereof, whether in respect of any tenancies created in priority to this Charge or subsequent thereto and with respect to all responsibility and liability for its acts and omissions;
- (c) The Chargee may from time to time fix the remuneration of every such Receiver which shall be a charge on the Lands, and may be paid out of the income therefrom or the proceeds of sale thereof;
- (d) The appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession in respect of the Lands or any part thereof;

- (e) The Receiver shall have the power to rent any portion of the Lands for such term and subject to such provisions as it may deem advisable or expedient and shall have the authority to execute any lease of the Lands or any part thereof in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm, and hereby ratifies and confirms whatever acts such Receiver may do on the Lands;
- (f) In all instances, the Receiver shall be acting as the attorney or agent of the Chargor;
- (g) Every such Receiver shall have full power to complete any unfinished construction upon the Lands;
- (h) Such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Chargor for the purposes of securing the payment of rental from the Lands or any part thereof;
- (i) The Receiver shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter;
- (j) The Receiver shall have full power to do all acts and execute all documents which may be considered necessary or advisable in order to protect the Chargee's interest in the Lands including, without limiting the generality of the foregoing, increasing, extending, renewing or amending all charges, mortgages and other encumbrances which may be registered against the Lands from time to time, whether or not any of the same are prior to the interest of the Chargee in the Lands; sale of the Lands; borrowing money on the security of the Lands; applying for and executing all documents in any way related to any re-zoning applications, severance of lands pursuant to the provisions of the Planning Act, as amended, subdivision agreements and development agreements and agreements for the supply or maintenance of utilities or services to the Lands, including grants of lands or easements or rights of way necessary or incidental to any such agreements; executing all grants, documents, instruments and agreements related to compliance with the requirements of any competent governmental authority, whether pursuant to a written agreement or otherwise and applying for and executing all documents in any way related to registration of the Lands as a condominium; completing any application for first registration pursuant to the provisions of the Land Titles Act (Ontario) or pursuant to the Certification of Titles Act (Ontario); and for all and every of the purposes aforesaid it does hereby give and grant unto the Receiver full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done as aforesaid in and about the Lands, and to commence, institute and prosecute all actions, suits and other proceedings which may be necessary or expedient in and about the Lands, as fully and effectually to all intents and purposes as it itself could do if personally present and acting therein.
- (k) Such Receiver shall not be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof and out of such cash so received every such Receiver shall pay in the following order: (i) its remuneration; (ii) all payments made or incurred by it in the exercise of its powers hereunder; and (iii) any payment of interest, principal and other money which may from time to time be or become charged upon the Lands in priority to the monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Lands or any part thereof.

The Chargor hereby irrevocably appoints the Chargee as his attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitors so as to give effect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or the Receiver and/or with respect to the Lands in the same manner as if such documentation was duly executed by the Chargor himself.

10.37 **Chargee Not to Be Deemed Chargee in Possession** – The Chargor acknowledges and agrees that, in exercising any of the rights given to the Chargee under this Charge, the Chargee shall be deemed not to be a chargee or mortgagee in possession.

10.38 **Enforcement of Additional Security** – In the event that, in addition to the Lands charged hereby, the Chargee holds further security on account of the monies secured hereby, it is agreed that no single or partial exercise of any of the Chargee's powers hereunder or under any of such security, shall preclude other and further exercise of any other right, power or remedy pursuant to any of such security. The Chargee shall at all times have the right to proceed against all, any, or any portion of such security in such order and in such manner as it shall in its sole discretion deem fit, without waiving any rights which the Chargee may have with respect to any and all of such security, and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the remaining security, provided however, that upon payment of the full indebtedness secured hereunder the rights of the Chargee with respect to any and all such security shall be at an end.

10.39 **Taking of Judgement Not a Merger** – The taking of a judgement or judgements on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Chargee's right to interest at the rate and times herein provided; and further that the same judgement shall provide that interest thereon shall be computed at the same rate and in the same manner as herein provided until the said judgement shall have been fully paid and satisfied.

10.40 **Bankruptcy and Insolvency Act** – The Chargor hereby acknowledges and agrees that:

- (a) the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor;
- (b) notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Lands as agent on behalf of the Chargor or otherwise or by taking possession of the Lands itself pursuant to any rights that the Chargee may have with respect thereto shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or with respect to enforcement of this Charge or any other security held by the Chargee; and,
- (c) any and all Costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor; and the Chargee shall be entitled to incur any such Costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

10.41 **Permissible Interest Rate** – It is not the intention of this Charge to violate any provisions of the Interest Act (Canada), the Criminal Code (Canada) or any other statute dealing with permitted rates of interest in the Province of Ontario or in Canada. Notwithstanding any provisions set out herein, in no event shall the "interest" (as that term is defined in the Criminal Code) exceed the "criminal rate" (as defined therein) of interest on the "credit advanced" (as defined therein) lawfully permitted under the said legislation. In the event that it is determined at any time that, by virtue of the Loan Agreement, this Charge or any other document given as security for the herein contemplated loan, the payments of interest required to be made by the Chargor exceed the "criminal rate", then the

Chargor shall only be required to pay interest at the highest rate permitted by law. Nothing herein shall invalidate any requirements for payment pursuant to the Loan Agreement, this Charge or such other security documents, and any excess interest paid to the Chargee shall be refunded to the Chargor and the provisions of this Charge shall in all respects be deemed to be amended accordingly.

10.42 **Non-Merger** – Notwithstanding the registration of this Charge and the advance of funds pursuant hereto, the terms and conditions of the Loan Agreement shall remain binding and effective on the parties hereto, and shall not merge in this Charge nor in any document executed and delivered to the Chargee in connection with the transaction contemplated by the Loan Agreement, and the terms of the Loan Agreement are incorporated herein by reference. In the event of any inconsistencies or ambiguities between the provisions of this Charge and the Loan Agreement, the provisions of the Loan Agreement shall prevail.

10.43 **Notices** – All notices or other communications to be given pursuant to or in connection with this Charge shall be in writing, signed by the party giving such notice or by its solicitors, and shall be personally delivered or sent by registered mail or facsimile transmission to the party or parties intended at its or their respective addresses for service as set out in this Charge. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

10.44 **Priority over Vendor's Lien** – The Chargor hereby acknowledges that this Charge is intended to be prior to any vendor's lien, whether in favour of the Chargor or otherwise, and the Chargor covenants that he has done no act to give priority over this Charge to any vendor's lien, nor is he aware of any circumstances that could create a vendor's lien. Further, the Chargor covenants to do all acts and execute or cause to be executed all documents required to give this Charge priority over any vendor's lien and to give effect to the intent of this clause.

10.45 **Consent of Chargee** – Wherever the Chargor is required by this Charge to obtain the consent or approval of the Chargee, it is agreed that, subject to any other specific provision contained in this Charge to the contrary, the Chargee may give or withhold its consent or approval for any reason that it may see fit in its sole and absolute discretion, and the Chargee shall not be liable to the Chargor in damages or otherwise for its failure or refusal to give or withhold such consent or approval, and all costs obtaining such approval shall be for the account of the Chargor.

10.46 **Family Law Act (Ontario)** – The Chargor shall forthwith after any change or happening affecting any of the following, namely, (a) the spousal status of the Chargor, (b) the qualification of the Lands or any part thereof as a matrimonial home within the meaning of Part II of the Family Law Act (Ontario), (c) the ownership of the equity of redemption in the Lands or any part thereof, and (d) a shareholder of the Chargor obtaining rights to occupy the Lands or any part thereof by virtue of shareholding within the meaning of Section 18(2) of the Family Law Act (Ontario), or any successor provision thereof, as the case may be, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the said equity of redemption and of any spouse who is not an owner but who has a right of possession in the Lands by virtue of Section 19 of the Family Law Act (Ontario) or any successor provision thereof. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of (a), (b) (c), and (d) above as the Chargee may from time to time request.

10.47 **Independent Legal Advice** – The Chargor and Covenantor(s) acknowledge that they have full knowledge of the purpose and essence of this transaction, and that they have been appropriately and independently legally advised in that regard or have been advised of their right to independent legal advice and have declined same. Such parties agreed to provide to the Chargee a Certificate of Independent Legal Advice as and when same may be required, regarding their knowledge and understanding of this transaction.

10.48            **Discharge** – The Chargee shall have a reasonable period of time after payment in full of the monies hereby secured within which to prepare and execute a discharge of this Charge; and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee; and all legal and other expenses for the preparation and execution of such discharge shall, together with the Chargee's fee for providing same, be borne by the Chargor. The discharge shall be prepared and executed by such persons as are specifically authorized by the Chargee and the Chargee shall not be obligated to execute any discharge other than a discharge which has been so authorized. If this Charge, the Loan Agreement or any other document provides for the giving of partial discharges of this Charge, it is agreed that, notwithstanding any other provision to the contrary, the Chargor shall not be entitled to request or receive any such partial discharge if and for so long as the Chargor is in default under this Charge, the Loan Agreement or such other document.

10.49            **Servicing Fees** – All servicing and administration fees as herein provided are intended to and shall be in an amount sufficient in the sole opinion of the Chargee to compensate the Chargee for its administrative costs and shall not be deemed a penalty. The amount of such servicing and administration fees if not paid shall be added to the principal amount secured hereunder, and shall bear interest at the rate aforesaid and the Chargee shall have the same rights with respect to collection of same as it does with respect to collection of principal and interest hereunder or at law. Such servicing and administration fees shall include, but shall not be limited to, the following:

- (a)        The Chargee's fee (currently \$350.00) for each mortgage statement provided by the Chargee at the request of the Chargor;
- (b)        The Chargee's fee (currently \$350.00) for each payment hereunder made by the Chargor which is not honored by its bank (in addition to all bank charges incurred in connection with the same);
- (c)        The Chargee's fee (currently \$400.00) for each demand letter or other communication sent by the Chargee to the Chargor in consequence of any default by the Chargor hereunder (in addition to all legal and other professional costs incurred in connection therewith);
- (d)        The Chargee's fee (currently \$300.00) for each draw request or request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (e)        The Chargee's fee (currently \$300.00) for each wire or electronic transfer of funds to the Chargor or as it may otherwise direct in writing in connection with each draw request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (f)        The sum of \$300.00 for each residential condominium unit (together with any related parking, locker or other units) in respect of which the Chargee gives a partial discharge of this Charge, payable at the time of the Chargee giving such partial discharge together with all reasonable legal costs incurred by the Chargee in such regard.

10.50            **Interpretation** – Provided and it is hereby agreed that, in construing this Charge, everything herein contained shall extend to and bind and may be enforced or applied by the respective heirs, executors, administrators, successors in office, successors and assigns, as the case may be, of each and every of the parties hereto, and where any of the Chargor, the Chargee and any Covenantor is more than one person, their respective covenants shall be deemed to be joint and several, and the provisions of this Charge shall be read and construed with all changes of gender and number as required by the context.

10.51 **Headings** – The headings with respect to the various paragraphs of this Charge are intended to be for identification of the various provisions of this Charge only and the wording of such headings is not intended to have any legal effect.

10.52 **Invalidity** – If any of the covenants or conditions in this Charge inclusive of all schedules forming a part hereof shall be void for any reason it shall be severed from the remainder of the provisions hereof and the remaining provisions shall remain in full force and effect notwithstanding such severance.

10.53 **Counterparts** – This Charge may be executed and/or registered in counterparts, each of which, so executed, and/or registered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, and notwithstanding their date of execution shall be deemed to bear date as of the date above written.

10.54 **Restriction on Further Financing** – The Chargor agrees not to enter into any further financing of the Lands and not to further encumber same in any manner without the prior written approval of the Chargee.

10.55 Intentionally Deleted

10.56 **Loan Syndication** – The Chargor acknowledges that the Chargee will be administering the loan secured by this Charge and holding one or more interests therein as manager and/or trustee on behalf of certain investors, participants, co-lenders or other persons (including, without limitation, any mortgage broker, agent or other party who or which may have assisted in arranging the loan) whose interest may or may not be shown on the loan documents, and the Chargor agrees to pay all reasonable costs incurred by the Chargee in connection therewith.

10.57 **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 Lands, the parties hereto covenant and agree that the following conditions shall apply:

- (a) All construction on the Lands shall be carried out by reputable contractors having experience which is commensurate to nature and size of the project to be constructed.
- (b) The renovations to the building and structures located on the Lands having been commenced shall be continued in a good and workmanlike manner, with all due diligence and in accordance with the plans and specifications delivered to the Chargee and to the satisfaction of all governmental and regulatory authorities having jurisdiction.
- (c) Provided that should construction on the project on the Lands cease for any reason whatsoever (strikes, material shortages and weather conditions beyond the control of the Chargor excepted), for a period of ten (10) consecutive days (Saturdays, Sundays and Statutory holidays excepted), then, at the option of the Chargee, this Charge shall immediately become due and payable. In the event that construction does cease, then the Chargee 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 Chargee 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 Chargee. 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 Chargee shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of principal and interest hereunder or at law.
- (d) At all times there shall be sufficient funds unadvanced under this Charge and retained by the Chargee to complete the construction and/or renovation of the project on the Lands and as may be necessary to retain



the Chargee's priority with respect to any deficiency in the holdbacks required by the Chargor under the Construction Lien Act (Ontario).

- (e) This Charge will be advanced in stages as construction upon the Lands proceeds or as the conditions as enumerated by the Loan Agreement are complied with.
- (f) 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 Chargee with respect to the said project and the progress thereof, whose fees and costs shall be for the account of the Chargor 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 Lands. Such certificates with respect to any values shall not include materials on the site which are not incorporated into the building.
- (g) The Chargor shall pay to the Chargee on each occasion when an inspection of the Lands is required to confirm construction costs to date and compliance with conditions for further advances, an inspection fee in such reasonable amount as the Chargee may charge from time to time for each such inspection and the Chargee's solicitors shall be paid their reasonable fees and disbursements for each subsearch and work done prior to each such advance and all such monies shall be deemed to be secured hereunder and the Chargee 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.
- (h) The Chargor covenants and agrees upon completion of the project to be erected on the Lands to deliver as further security for the loan herein secured, a General Security Agreement covering the goods, equipment and chattels to be installed in the same building, said General Security Agreement to be in a form approved by the solicitor for the Chargee.

10.58 Condominium Provisions – Provided that if all or any part of the Lands is or becomes a condominium unit pursuant to the provisions of the Condominium Act (Ontario), the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

- (a) For the purposes of all parts of the Lands comprising one or more such condominium units, all references in this Charge to the Lands shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation;
- (b) The Chargor shall at all times comply with the Condominium Act (Ontario) and shall forward to the Chargee proof of such compliance as the Chargee may request from time to time including, without limitation, status certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Chargee may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;
- (c) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Lands in accordance with the provisions of the Condominium Act (Ontario) and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and

if the Chargor fails to make such payment, the Chargee may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

- (d) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor to vote or to consent as an owner within the meaning of the Condominium Act (Ontario) with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:
  - (i) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee; and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;
  - (ii) the Chargee shall not be under any obligation to vote or to consent or to protect the interests of the Chargor; and
  - (iii) the exercise by the Chargee of its right to vote or to consent or to abstain from doing so shall not constitute the Chargee as a mortgagee or charge in possession and shall not give rise to any liability on the part of the Chargee;
- (e) The Chargor shall forward to the Chargee by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Lands or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:
  - (i) fourteen (14) days after receipt of the same by the Chargor;
  - (ii) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;
  - (iii) seven (7) days prior to the due date of any claim or demand for payment; and
  - (iv) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;
- (f) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargee to inspect the records of the Condominium Corporation at any reasonable time; and
- (g) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargee's option, become immediately due and payable without notice or demand if any of the following events or circumstances shall occur and be continuing:
  - (i) the government of the Condominium Corporation or the government of the Lands by the Condominium Corporation is terminated;
  - (ii) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Lands, or any part of the same is expropriated;

- (iii) the Condominium Corporation fails to comply with any provision of the Condominium Corporation (Ontario) or its declaration or any of its by-laws and rules; and
- (iv) the Condominium Corporation fails to insure its assets, including the Lands, in accordance with the Condominium Corporation (Ontario) and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same.

10.59 **Condominium Registration** – Replacement or Additional Security – The Chargee acknowledges that the Chargor may register the Lands as a condominium project and agrees to consent to such registration subject to the following conditions: (i) compliance by the Chargor with all requirements of all applicable laws and all governmental authorities; (ii) delivery to the Chargee of replacement or additional security for the loan secured by this Charge (including new mortgage(s), charge(s), assignment(s) and other security, opinion letters and an amended or replacement title insurance policy) as required by the Chargee in its sole discretion to be registered immediately following registration of the Lands as a condominium project and to constitute evidence of and security for the said loan in place of or in addition to the security delivered at the time of the first advance under this Charge, and the security delivered at the time of the first advance under this Charge will remain in place or may be discharged at the sole option and discretion of the Chargee; (iii) escrow and other arrangements satisfactory to the Chargee and its solicitors are entered into between all relevant parties (including registration of a temporary caution prohibiting any dealings with the Lands without the Chargee's consent) so as to ensure that the replacement or additional security is registered immediately following registration of the Lands as a condominium project, with the net effect that the condominium registration and registration of the replacement or additional security shall be, effectively, simultaneous events and that the condominium registration will not occur unless registration of the replacement or additional security occurs immediately thereafter; (iv) all such replacement or additional security will, after registration thereof, have the same effective priority and effect as the security delivered at the time of the first advance under this Charge; (v) the Chargor shall pay or reimburse the Chargee for all third party costs and expenses incurred by it in connection with the foregoing; and (vi) prior to the Chargee proceeding with any of the foregoing, the Chargor shall pay to the Chargee an amount as determined by the Chargee, acting reasonably, which it estimates to be sufficient to cover all such third party costs and expenses, and any surplus thereof shall be refunded to the Chargor.

10.60 **Additional Provisions**

- (a) Notwithstanding anything to the contrary contained in this Charge, any amount advanced under this Charge made by the Chargee shall be at the Chargee's sole and absolute discretion and the Chargee shall not be obligated at any time or times to make any advance under this Charge to the Chargor.
- (b) In addition to the payment by the Chargor of the principal amount owing from time to time under this Charge plus interest as set forth herein, the Chargor shall also pay to the Chargee, in certified funds or Bank Draft, forthwith after the determination is made by the Chargee in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as set forth in Schedule "D" of the Loan Agreement in the same manner as contemplated in Section 4.05 of the Loan Agreement. Notwithstanding the foregoing, the Chargee, at its option, may also deduct from the Distributable Cash Proceeds (as the term is defined in the Loan Agreement), at any time and from time to time, all or any part of the Additional Loan Payment that the Chargee, in its opinion, believes is due and payable.
- (c) The Chargor acknowledges, confirms, covenants and agrees that the Chargee shall be deducting from the first advance under this Charge and any additional advance an amount

equal to 12 month's projected interest at the interest rate contemplated herein, at the time of such advance(s) which shall be a contribution of the Chargor to the Interest Reserve (as the term is defined in the Loan Agreement). The Chargor further acknowledges, confirms, covenants and agrees that the Chargee may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Chargee's Solicitors (as the term is defined in the Loan Agreement) or received from the Chargor, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Chargor covenants and agrees that the amount in the Interest Reserve shall be applied by the Chargee against the obligations of the Chargor to pay interest hereunder, pursuant to the Loan Agreement or on the Loan Installments (as the term is defined in the Loan Agreement) and that once applied or deducted by the Chargee from the Loan Installments, the Distributable Cash Proceeds or otherwise, the Chargor shall have no claim against the funds in the Interest Reserve.

- (d) the Chargee acknowledges that the initial face amount of the Mortgage/Charge, namely \$3,000,000, can be increased by the Chargor where the Chargor obtains a new valuation/appraisal of the Lands and Olympia Trust agrees, based on the new valuation/appraisal, that the Mortgage/Charge can be increased; and the Chargor shall be entitled to borrow additional monies and issue participation interests in the Charge/Mortgage to any additional Chargees; provided that the Charge/Mortgage face value shall not exceed \$12,800,000 in any event. The Chargee(s) authorize the Chargor on behalf of the Chargee(s) to increase the face amount of the Mortgage/Charge without any further written approval/consent of the Chargors, up to the amount agreed by the Chargor and Olympia Trust, in writing, but in no event exceeding \$12,800,000.

**Properties**

**PIN** 24821 - 0111 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
**Address** 109 GARDEN DR  
OAKVILLE

**PIN** 24821 - 0112 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975, TW23033 OAKVILLE/TRAFALGAR  
**Address** 103 GARDEN DR  
OAKVILLE

**Source Instruments**

Registration No.	Date	Type of Instrument
HR1060601	2012 10 29	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** Tier 1 Transaction Advisory Services  
Inc.  
250 Consumers Road  
Suite 501  
Toronto, Ontario  
M2J 4V6

I, Raj Singh, Authorized Signing Officer, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

	Capacity	Share
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$33,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #59605 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$39,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #101653 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$25,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #100510 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$31,500.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #100508 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$82,0000.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i>	IN TRUST FOR RRSP #100522 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$25,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #86593 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$41,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100520 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$97,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #101189 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$243,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #101134 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$25,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100231 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$17,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #96346 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$70,500.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #87229 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$25,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100191 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$43,600.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100189 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$30,917.66 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100187 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$21,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100355 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$40,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100289 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$25,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100184 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$57,200.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100358 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$38,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #101598 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$36,500.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100188 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$16,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100186 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$222,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100489 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$85,500.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i>	IN TRUST FOR RRSP #101014 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$21,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100357 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$30,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100356 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$25,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100287 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$35,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100230 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$100,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100290 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$41,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100517 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$50,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #95150 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$29,500.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #100178 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to \$25,000.00 interest
<i>Address for Service</i>	IN TRUST FOR RRSP #101658 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	



<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$38,500.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #96906 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$50,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100669 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$30,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100488 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$26,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100190 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$48,500.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100821 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$61,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100359 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$69,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #101662 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$28,800.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #100856 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$84,000.00 interest
<i>Address for Service</i> IN TRUST FOR RRSP #101015 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to \$20,000.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<b>Address for Service</b> IN TRUST FOR RRSP #101335 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$24,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #101608 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$54,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #101655 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$50,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #101269 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$25,000.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #100515 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<b>Name</b> OLYMPIA TRUST COMPANY		as to \$24,500.00 interest
<b>Address for Service</b> IN TRUST FOR RRSP #92432 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		

**Statements**

The chargee transfers the selected charge for \$2,359,517.66

**Signed By**

Gregory Harrington Harris 2355 Skymark Ave, Ste 300 acting for Signed 2012 10 29  
Mississauga Transferor(s)  
L4W 4Y6

Tel 9056297800

Fax 9056294350

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

Gregory Harrington Harris 2355 Skymark Ave, Ste 300 acting for Signed 2012 10 29  
Mississauga Transferee(s)  
L4W 4Y6

Tel 9056297800

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2012 10 29  
Mississauga  
L4W 4Y6

**Submitted By**

Tel 9056297800  
Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

**File Number**

Transferor Client File Number : 12205

**Properties**

**PIN** 24821 - 0111 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
**Address** 109 GARDEN DR  
 OAKVILLE

**PIN** 24821 - 0112 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975, TW23033 OAKVILLE/TRAFALGAR  
**Address** 103 GARDEN DR  
 OAKVILLE

**Source Instruments**

Registration No.	Date	Type of Instrument
HR1060668	2012 10 29	Transfer Of Charge
HR1060601	2012 10 29	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** Tier 1 Transaction Advisory Services  
 Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

I, Raj Singh, Authorized Signing Officer, have the authority to bind the corporation.

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

**Transferee(s)****Capacity****Share**

<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$29,800.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #103917 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$24,400.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #101936 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$59,575.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #102593 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$75,000.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #100185 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$100,000.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #100183 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$24,700.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #102596 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$18,650.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #103914 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$18,650.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #103924 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$22,400.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #101493 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$47,000.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #98001 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$19,700.00 interest
<b>Address for Service</b>	Olympia Trust Company IN TRUST FOR RRSP #103910 2200, 125 9th Ave., S.E. Calgary, Alberta T2G 0P6	

<b>Statements</b>
-------------------

The chargee transfers the selected charge for \$439,875.00

<b>Signed By</b>
------------------

Maria Da Silva

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

acting for  
Transferor(s)

Signed 2012 12 24

**Signed By**

Tel 9056297800

Fax 9056294350

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

Maria Da Silva

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

acting for  
Transferee(s)

Signed 2012 12 24

Tel 9056297800

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

2012 12 24

Tel 9056297800

Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12205

Transferee Client File Number : 12205

**Properties**

*PIN* 24821 - 0111 LT  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
*Address* 109 GARDEN DR  
 OAKVILLE

*PIN* 24821 - 0112 LT  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975,TW23033 OAKVILLE/TRAFALGAR  
*Address* 103 GARDEN DR  
 OAKVILLE

**Consideration**

*Consideration* \$0.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

*Name* MEMORY CARE INVESTMENTS (OAKVILLE) LTD.  
*Address for Service* c/o 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services  
 Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
 2200, 125 9th Ave. S.E.  
 Calgary, Alberta  
 T2G 0P6

I, Anna Le, Supervisor and Kelly Revol, Manager, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, HR1060601 registered on 2012/10/29 to which this notice relates is deleted

*Schedule:* Notice amending the Charge registered as Instrument No. HR1060601 on October 29, 2012 by increasing the Principal amount from 3,000,000 to 6,500,000, all other terms and conditions to remain the same.

This document relates to registration no.(s)HR1060601, HR1060668 and HR1073163.





**Properties**

**PIN** 24821 - 0111 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
**Address** 109 GARDEN DR  
 OAKVILLE

**PIN** 24821 - 0112 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975,TW23033 OAKVILLE/TRAFALGAR  
**Address** 103 GARDEN DR  
 OAKVILLE

**Source Instruments**

Registration No.	Date	Type of Instrument
HR1060601	2012 10 29	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** Tier 1 Transaction Advisory Services  
 Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

I, Raj Singh, Authorized Signing Officer, have the authority to bind the corporation.

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

**Transferee(s)****Capacity****Share**

<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$35,700.00 interest
<b>Address for Service</b>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #104580 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$60,000.00 interest
<b>Address for Service</b>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121907 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$50,000.00 interest
<b>Address for Service</b>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122503 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<b>Name</b>	OLYMPIA TRUST COMPANY	as to a \$26,500.00 interest
<b>Address for Service</b>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122072 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
Name	OLYMPIA TRUST COMPANY	as to a \$54,500.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122578 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$24,700.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122738 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$20,000.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121381 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$25,000.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122895 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$40,000.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121916 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$40,000.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121911 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$25,900.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122437 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$125,000.00 interest
Address for Service	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121799 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name	OLYMPIA TRUST COMPANY	as to a \$24,600.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121645 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$31,700.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122071 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$30,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #123044 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$25,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122736 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$31,500.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122897 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$31,500.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122898 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$45,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121076 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$100,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122576 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$38,000.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #123063 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$63,400.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122907 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$26,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #100488 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$53,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121954 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$25,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122262 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$100,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122629 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$99,600.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #119193 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$28,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122899 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$26,000.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #123679 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$41,600.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122575 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$25,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #118483 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$119,400.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122264 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$22,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122677 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$48,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #99175 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$102,000.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122739 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$64,500.00 interest
<i>Address for Service</i>	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122740 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
<i>Name</i>	OLYMPIA TRUST COMPANY	as to a \$31,000.00 interest

<b>Transferee(s)</b>	<b>Capacity</b>	<b>Share</b>
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122156 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$25,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #123138 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$25,800.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #123137 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$51,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121164 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$31,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121819 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$45,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #121821 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$25,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #122973 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> OLYMPIA TRUST COMPANY		as to a \$30,000.00 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #120554 2200, 125 - 9TH Ave. S. E. Calgary, Alberta T2G 0P6		

**Statements**

The chargee transfers the selected charge for \$1,991,900.00

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 06 02  
Mississauga Transferor(s)  
L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 06 02  
Mississauga Transferee(s)  
L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2014 06 02  
Mississauga  
L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12205

**Properties**

**PIN** 24821 - 0111 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
**Address** 109 GARDEN DR  
 OAKVILLE

**PIN** 24821 - 0112 LT  
**Description** PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975,TW23033 OAKVILLE/TRAFALGAR  
**Address** 103 GARDEN DR  
 OAKVILLE

**Consideration**

**Consideration** \$0.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

**Name** MEMORY CARE INVESTMENTS (OAKVILLE) LTD.  
**Address for Service** c/o 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Party To(s)****Capacity****Share**

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** c/o Tier 1 Transaction Advisory Services Inc.  
 3100 Steeles Avenue East, Suite 902  
 Markham, Ont  
 L3R 8T3

I, Raj Singh, A.S.O., have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

**Name** OLYMPIA TRUST COMPANY  
**Address for Service** Suite 2200, 125 9th Ave SE, Calgary Alberta, T2G 0P6

I, Vibha Bhagat, Supervisor & Anna Le, Supervisor, have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, HR1060601 registered on 2012/10/29 to which this notice relates is deleted

Schedule: Notice Amending the Charge registered as Instrument No. HR1060601, on October 29, 2012, by increasing the principal amount from \$6,500,000.00 to \$9,000,000.00, all other terms and conditions to remain the same.

This document relates to registration no.(s) INSTRUMENT NOS. HR1060601, HR1060668, HR1073163, HR1185769, HR1185770

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 15  
 Mississauga Applicant(s)  
 L4W 4Y6

Tel 905-629-7800  
 Fax 905-629-4350

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



**Submitted By**

HARRIS + HARRIS LLP  
2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6  
2015 05 15

Tel 905-629-7800  
Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00  
Total Paid \$60.00

**File Number**

Applicant Client File Number : 12205

**Properties**

*PIN* 24821 - 0111 LT  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , AS IN 333503 EXCEPT THE EASEMENT THEREIN ; S/T TW22975 OAKVILLE/TRAFALGAR  
*Address* 109 GARDEN DR  
OAKVILLE

*PIN* 24821 - 0112 LT  
*Description* PT LT 17, CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET , PART 2 & 3 , 20R6837 ; S/T TW22975,TW23033 OAKVILLE/TRAFALGAR  
*Address* 103 GARDEN DR  
OAKVILLE

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
HR1060601	2012 10 29	Charge/Mortgage
HR1185770	2014 06 02	Transfer Of Charge

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* c/o Tier 1 Transaction Advisory Services  
Inc.  
3100 Steeles Avenue East, Suite 902  
Markham, Ont  
L3R 8T3

I, Raj Singh, Authorized Signing Officer, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

	<i>Capacity</i>	<i>Share</i>
<i>Name</i> OLYMPIA TRUST COMPANY		As to \$6,322,292.66 interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # - see schedule attached 2200, 125 - 9th Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> 2223947 ONTARIO LIMITED		As to \$2,590,500.00 interest
<i>Address for Service</i> Tier 1 Transaction Advisory Services Inc. 250 Consumers Road Suite 501 Toronto, Ontario M2J 4V6		

**Statements**

The chargee transfers the selected charge for \$1,531,000.00

Schedule: See Schedules

This document relates to registration no.(s)HR1060601, HR1060668, HR1073163, HR1185769, HR1185770, HR1266498.

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 15  
Mississauga Transferor(s)  
L4W 4Y6

Tel 905-629-7800  
Fax 905-629-4350

**Signed By**

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

Maria Da Silva

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

acting for  
Transferee(s)

Signed 2015 05 15

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

2015 05 15

Tel 905-629-7800

Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee

\$60.00

Total Paid

\$60.00

**File Number**

Transferor Client File Number :

12205

**SCHEDULE TO  
TRANSFER OF CHARGE**

**2223947 ONTARIO LIMITED holds a \$2,590,500.00 interest in the Charge; and,  
OLYMPIA TRUST COMPANY holds a \$6,322,292.66 interest in the Charge.**

<b>Additional Transferees(s) Name &amp; Address For Service</b>	<b>Olympia Trust RRSP Account #</b>	<b>As to Share Interest Amount</b>
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132014	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130687	\$50,100.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131341	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132917	\$68,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131712	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133559	\$31,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132808	\$50,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131829	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133213	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E.	121598	\$28,000.00

Calgary, Alberta T2G 0P6		
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	134123	\$29,400.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131577	\$53,400.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	105730	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133066	\$35,200.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131911	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132678	\$35,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132432	\$42,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131093	\$50,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132433	\$38,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	131913	\$26,000.00

OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	121276	\$26,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133224	\$68,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133903	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	95584	\$17,400.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	130633	\$23,800.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	127419	\$39,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	133291	\$36,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132587	\$26,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132250	\$9,300.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	132249	\$31,300.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta	121540	\$25,800.00

T2G OP6		
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132526	\$27,500.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132845	\$30,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	130808	\$26,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	125939	\$44,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132140	\$93,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	133632	\$25,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	132672	\$40,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	121684	\$127,100.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	131295	\$30,000.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G OP6	131294	\$18,700.00
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E.	132936	\$30,000.00

Calgary, Alberta T2G 0P6		
<b>TOTAL</b>		<b>\$1,531,000.00</b>

W:\H 12001-13000\12205\Documents\Transfer of Charge\Schedule V1 (May 15, 2015).docx



**Properties**

*PIN* 24821 - 0207 LT  
*Description* FIRSTLY: PT LT 17 CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET AS IN 333503  
EXCEPT THE EASEMENT THEREIN, S/T TW22975 SECONDLY: PT LT 17 CON 3  
TRAFALGAR, SOUTH OF DUNDAS STREET DES AS PTS 2, 3, PL 20R6837, S/T  
TW22975, TW23033; TOWN OF OAKVILLE  
*Address* OAKVILLE

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
HR1060601	2012 10 29	Charge/Mortgage
HR1266500	2015 05 15	Transfer Of Charge

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
IN TRUST, FOR RRSP # - See  
Schedule  
2200, 125 - 9th Ave. S. E.  
Calgary, Alberta  
T2G 0P6

I, Johnny Luong, Team Lead, and Anna Le, Supervisor, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services  
Inc.  
250 Consumers Road  
Suite 501  
Toronto, Ontario  
M2J 4V6

I, Raj Singh, Authorized Signing Officer, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Transferee(s)**

*Capacity*

*Share*

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
IN TRUST, FOR RRSP # - See Schedule  
2200, 125 - 9th Ave. S. E.  
Calgary, Alberta  
T2G 0P6

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services Inc.  
250 Consumers Road  
Suite 501  
Toronto, Ontario  
M2J 4V6

**Statements**

The chargee transfers the selected charge for \$29,500.00

Schedule: See Schedules

This document relates to registration no.(s)HR1060601, HR1060668, HR1073163, HR1185769, HR1185770, HR1266498, HR1266500

**Signed By**

Amy Carmen Lok	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferor(s)	Signed	2016 09 01
----------------	---	-----------------------------	--------	------------

Tel 905-629-7800  
Fax 905-629-4350

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

Amy Carmen Lok	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferee(s)	Signed	2016 09 01
----------------	---	-----------------------------	--------	------------

Tel 905-629-7800  
Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6			2016 09 01
---------------------	---	--	--	------------

Tel 905-629-7800  
Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee	\$62.85
Total Paid	\$62.85

**File Number**

Transferor Client File Number : 12205 & 14381

**SCHEDULE TO  
TRANSFER OF CHARGE**

**2223947 Ontario Limited holds a \$2,707,207.34 interest in the Charge; and,  
OLYMPIA TRUST COMPANY holds a \$6,292,792.66 interest in the Charge.  
Total \$9,000,000.00**

<b>Additional Transferees(s) Name &amp; Address For Service</b>	<b>Olympia Trust RRSP Account #</b>	<b>As to Share Interest Amount</b>
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #(see RRSP column) 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6	DELETE – RRSP # 100178	\$29,500.00
2223947 ONTARIO LIMITED  Tier 1 Transaction Advisory Services Inc. 250 Consumers Road Suite 501 Toronto, Ontario M2J 4V6		\$29,500.00
<b>TOTAL</b>		<b>\$29,500.00</b>

G:\WP51\H 12001-13000\12205\Documents\Transfer of Charge\Schedule (August 10, 2016).docx



**Properties**

<i>PIN</i>	07074 - 0034 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6 , PL 125 , AS IN 205910 ; BURLINGTON		
<i>Address</i>	2174 GHENT AV BURLINGTON		
<i>PIN</i>	07074 - 0033 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6 , PL 125 , AS IN 641723 ; BURLINGTON		
<i>Address</i>	2168 GHENT AV BURLINGTON		

**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.

<i>Name</i>	1703858 ONTARIO LTD.
<i>Address for Service</i>	c/o Gregory H. Harris Harris + Harris LLP 2355 Skymark Avenue Suite 300 Mississauga, Ontario L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

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

<i>Name</i>	2223947 ONTARIO LIMITED
<i>Address for Service</i>	Tier 1 Transaction Advisory Services Inc. 250 Consumers Road Suite 501 Toronto, Ontario M2J 4V6

**Statements**

Schedule: See Schedules

**Provisions**

<i>Principal</i>	\$5,500,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	See Schedule		
<i>Balance Due Date</i>	2017/05/01		
<i>Interest Rate</i>	See Schedule		
<i>Payments</i>			
<i>Interest Adjustment Date</i>	2013 04 01		
<i>Payment Date</i>	See Schedule		
<i>First Payment Date</i>			
<i>Last Payment Date</i>	2017 05 01		
<i>Standard Charge Terms</i>			
<i>Insurance Amount</i>	full insurable value		
<i>Guarantor</i>			

**Additional Provisions**

Payments: Interest Only.

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Chargor Signed 2013 04 25  
Mississauga (s)  
L4W 4Y6

Tel 9056297800

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2013 05 17  
Mississauga  
L4W 4Y6

Tel 9056297800

Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Chargor Client File Number : 12515

**PROVIDED THIS CHARGE/MORTGAGE OF LAND TO BE VOID** upon payment at the office of the Chargee at 5000 Yonge Street, Suite 1901, Toronto, Ontario, M2N 7E9 of Five Million Five Hundred Thousand (\$5,500,000.00) Dollars of lawful money of Canada with interest at the rate of eight percent (8.00%) per annum, calculated daily and payable on the earlier of demand or quarterly as herein set forth, as well after as before maturity and both before and after default plus the Additional Loan Payment (as defined and payable in accordance with the Loan Agreement) as follows: the whole of said principal sum of \$5,500,000.00 then outstanding shall become due and payable on May 1, 2017 and interest at the rate and calculated aforesaid on the amount advanced from time to time shall become due and payable on the earlier of demand or quarterly on the first day of the first month in each quarter (or three-month period as determined by the Chargee, acting reasonably) from and including July 1, 2013 to and including the day that the aforesaid principal sum is repaid in full. The first payment of interest to be computed from the date of the first advance to become due and payable on the first day of the third month or quarter (as determined by the Chargee, acting reasonably) immediately following the month that the first advance takes place which, for the sake of clarity, if the first advance is made in April of 2013, then the first payment of interest payable by the Chargor under this Charge shall be July 1, 2013.

**AND** taxes; and observance and performance of all covenants, provisos and conditions herein contained.

**AND** it is hereby agreed that in case default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the rate aforesaid, and in case the interest and compound interest are not paid in one (1) month from the time of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the said lands.

(10) **STANDARD CHARGE TERMS**

10.1 **Defined Terms** – Unless otherwise expressly defined or otherwise required by the context, the following words and phrases shall have the following meanings when used in this Charge:

- (a) **“Charge”** means the Charge/Mortgage to which these Standard Charge Terms are attached as a schedule or which refers to the filing number of these Standard Charge Terms, as the case may be, and all schedules attached to such Charge/Mortgage of Land, and all amendments thereto and replacements thereof from time to time;
- (b) **“Chargee”** means all persons in whose favour this Charge is given and who is or are named in this Charge as Chargee;
- (c) **“Chargor”** means all persons who have given this Charge and who have executed the same as Chargor;
- (d) **“Costs”** includes all costs and expenses of every nature and kind whatsoever incurred by the Chargee or paid by the Chargee to any other party or Person in connection with the protection and preservation of the Lands or any other security held by the Chargee whether pursuant to this Charge, the Loan Agreement or otherwise, or for the purpose of preserving and maintaining the enforceability and priority of this Charge and any such other security, or in connection with any and all demands and enforcement proceedings of every nature and kind made or carried out by or on behalf of the Chargee under or pursuant to this Charge or the Loan Agreement, and includes, without limitation, legal costs incurred by the Chargee on a solicitor and client scale;
- (e) **“Covenantor”** means any party to this Charge expressly defined as such and any and all Persons who have directly, indirectly, as principal debtor or as surety covenanted to pay or guaranteed payment of the whole

or any part of the amount or amounts secured by this Charge or which are owing under the loan facilities referred to in the Loan Agreement or who have covenanted to perform or guaranteed performance by the Chargor of its obligations under this Charge or under the Loan Agreement or under any security given in connection therewith;

- (f) **“Environmental Laws”** means any and all applicable statutes, laws, by-laws, regulations, rules, codes, orders, directives, guidelines, permits and other lawful requirements, now or hereafter in effect, of any federal, provincial, municipal or other governmental authority having jurisdiction in connection with or pertaining to any Hazardous Substance or to the protection of the natural environment or the health or welfare of any living thing;
- (g) **“Hazardous Substance”** means any pollutant, contaminant, waste or other substance (i) the store, manufacture, disposal, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled or regulated or licensed under any Environmental Law; or (ii) which in the Chargee’s opinion, acting reasonably, may, immediately or in the future, directly or indirectly, cause harm or degradation to the environment or to the health or welfare of any living thing;
- (h) **“Lands”** means the lands, tenements, hereditaments and appurtenances and any estate or interest therein described in this Charge, and all buildings and improvements now or hereafter situate or constructed thereon, and all easements, rights-of-way and other appurtenances thereto, and all structures, additions, improvements, machinery, equipment, decorations and other fixtures of every nature and kind (whether or not affixed in law) attached thereto or placed, installed or erected thereon or used in connection therewith;
- (i) **“Loan Agreement”** means a certain loan agreement dated as of the 30<sup>th</sup> day of April, 2013 by and between the Chargor and the Chargee, as may be amended or restated from time to time;
- (j) **“Person”** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;
- (k) **“Receiver”** means any receiver, receiver and manager, receiver-manager or trustee of the Lands as may be appointed from time to time by the Chargee pursuant to the provisions of this Charge or by any court of competent jurisdiction; and,
- (l) **“Taxes”** means all taxes, rates, assessments, local improvement charges, levies, penalties and other charges imposed upon or in respect of the Lands by any governmental authority having jurisdiction.

10.2 **Statutory References** – Unless expressly stipulated or otherwise required by the context, all references in this Charge to any federal, provincial or municipal statute, regulation, by-law, order, directive or other governmental enactment shall be deemed to be and construed as a reference to the same as amended from time to time.

10.3 **Exclusion of Statutory Covenants** – The implied covenants deemed to be included in a charge under sub-section 7(1) of the Land Registration Reform Act (Ontario) shall be and are hereby expressly excluded and replaced by the terms hereof which are covenants by the Chargor, for and on behalf of the Chargor, with the Chargee.

10.4 **Short Form of Mortgages Act** – If any of the forms of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474, 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 Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the said Act was still in full force and effect.

10.5 **Proviso for Redemption** – Provided this Charge to be void upon payment of the principal sum hereby secured, in lawful money of Canada, with interest as herein provided and taxes and performance of statute labour and performance of all covenants and agreements contained in this Charge.

10.6 **Release** – The Chargor releases to the Chargee all its claims upon the Lands subject to the proviso for redemption herein.

10.7 **Advance of Funds** – The Chargor agrees that neither the preparation, execution nor registration of this Charge shall bind the Chargee to advance the monies hereby secured, nor shall the advance of a part of the principal sum herein bind the Chargee to advance any unadvanced portion thereof, but nevertheless the estate hereby charged shall take effect forthwith upon the execution of this Charge by the Chargor, and the expenses of the examination of the title and of this Charge and valuation are to be secured hereby in the event of the whole or any balance of the principal sum herein not being advanced, the same to be charged hereby upon the Lands, and shall be without demand thereof, payable forthwith with interest at the rate provided for in this Charge, and in default the remedies herein shall be exercisable.

10.8 **Chargor's Covenants** – The Chargor covenants with the Chargee as follows:

- (a) that the Chargor will pay the principal sum herein and interest and the Additional Loan Payment and observe the proviso for redemption herein, and will pay as they fall due all Taxes and when required by the Chargee, shall transmit the receipts therefor to the Chargee;
- (b) that the Chargor will pay all amounts which are payable hereunder or which are capable of being added to the principal sum herein pursuant to the provisions of this Charge or the Loan Agreement including, without limiting the generality of the foregoing, all servicing or other fees, Costs or charges provided for herein; all insurance premiums; the amount paid for the supply of any fuel or utilities to the Lands; all Costs, commissions, fees and disbursements incurred by the Chargee in constructing, inspecting, appraising, selling, managing, repairing or maintaining the Lands; all Costs incurred by the Chargee, including legal costs on a solicitor and his own client basis, with respect to the Charge or the enforcement thereof or incurred by the Chargee arising out, of or in any way related to this Charge; any amounts paid by the Chargee on account of any encumbrance, lien or charge against the Lands and any and all Costs incurred by the Chargee arising out of, or in any way related to, the Chargee realizing on its security by sale or lease or otherwise;
- (c) that the Chargor has a good title in fee simple to the Lands and has good right, full power and lawful and absolute authority to charge the Lands and to give this Charge to the Chargee upon the covenants contained in this Charge;
- (d) that the Chargor has not done, committed, executed or willfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the Lands, or any parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose; and free from all encumbrances except as may be permitted by the Chargee, acting reasonably or as set forth in the Loan Agreement;
- (e) that the Chargor will execute such further assurances of the Lands as may be requisite; and
- (f) that the Chargor will produce the title deeds and allow copies to be made at the expense of the Chargor.

10.9 **Compliance with Laws and Regulations** – The Chargor shall, in its ownership, operation and use of the Lands, promptly and at all times observe, execute and comply with all laws, Environmental Laws, rules, requirements, orders, directions, ordinances, and regulations of every governmental authority or agency having jurisdiction with respect to the same, and further agrees at its cost and expense to take any and all steps or make any improvements or alterations thereto, structural or otherwise, ordinary or extraordinary, which may be required at any time hereafter by any such present or future laws, rules, requirements, orders, directions, ordinances or regulations.

10.10 **Change of Use** – The Chargor will not change or permit to be changed the existing use or uses of the Lands without the prior written consent of the Chargee.

10.11 **Repair** – The Chargor will keep the Lands including the buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof, and the Chargee may, whenever it deems necessary, enter upon and inspect the Lands, and the cost of such inspection shall be added to the indebtedness secured hereunder, and if the Chargor neglects to keep the Lands in good condition and repair, or commits or permits any act of waste on the Lands (as to which the Chargee shall be sole judge) or makes default as to any of the covenants or provisos herein contained, the principal sum herein shall, at the option of the Chargee, forthwith become due and payable, and in default of payment thereof with interest as in the case of payment before maturity, the powers of entering upon and leasing or selling hereby given may be exercised forthwith and the Chargee may make such repairs as it deems necessary, and the cost thereof with interest at the rate aforesaid shall be added to the monies hereby secured and shall be payable forthwith and be a charge upon the Lands prior to all claims thereon subsequent to this Charge.

10.12 **Alterations or Additions** – Except as contemplated in Section 10.57 hereof, the Chargor will not make or permit to be made any alterations or additions to the Lands without the prior written consent of the Chargee, which consent may be withheld in the Chargee's sole discretion or may be given only subject to compliance with such terms and conditions at the cost of the Chargor as the Chargee may impose.

10.13 **Lands Include All Additions** – The Lands shall include all structures and installations brought or placed on the Lands for the particular use and enjoyment thereof or as an integral part of or especially adapted for the buildings thereof whether or not affixed in law to the Lands including, without limiting the generality of the foregoing, piping, plumbing, electrical equipment or systems, aerials, refrigerators, stoves, clothes washers and dryers, dishwashers, incinerators, radiators and covers, fixed mirrors, fitted blinds, window screens and screen doors, storm windows and storm doors, shutters and awnings, floor coverings, fences, air conditioning, ventilating, heating, lighting, and water heating equipment, cooking and refrigeration equipment and all component parts of any of the foregoing and that the same shall become fixtures and an accession to the freeholder and a part of the realty.

10.14 **INTENTIONALLY DELETED**

10.15 **Inspection** – The Chargee shall have access to and the right to inspect the Lands at all reasonable times.

10.16 **Taxes** – With respect to Taxes, the Chargor covenants and agrees with the Chargee that:

- (a) The Chargee may deduct from any advance of the monies secured by this Charge an amount sufficient to pay all Taxes which have become due and payable during any calendar year.
- (b) The Chargee may at its sole option estimate the amount of the Taxes payable in each year and the Chargor shall forthwith upon demand of the Chargee pay to the Chargee one-twelfth (1/12) of the estimated annual amount of such Taxes on the 1<sup>st</sup> day of each and every month during the term of this Charge commencing with the 1<sup>st</sup> day of the first full month of the term of this Charge. The Chargee may at its option apply such payments to the Taxes so long as the Chargor is not in default under any covenant or agreement contained

in this Charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of Taxes more often than yearly. Provided however, that if the Chargor shall pay any sum or sums to the Chargee to apply on account of Taxes, and if before such payments have been so applied by the Chargee, there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payment of the principal and interest in default. If the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of Taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose.

- (c) In the event that the Taxes actually charged in a calendar year, together with any interest and penalties thereon, exceed the amount estimated by the Chargee as aforesaid, the Chargor shall pay to the Chargee, on demand, the amounts required to make up the deficiency. The Chargee may at its option, pay any of the Taxes when payable, either before or after they are due, without notice, or may make advances therefor in excess of the then amount of credit held by the Chargee for Taxes. Any excess amount advanced by the Chargee shall be secured as an additional principal sum under this Charge and shall bear interest at the rate as provided for in this Charge until repaid by the Chargor.
- (d) The Chargor shall transmit and deliver to the Chargee all assessment notices, tax bills and other notices pertaining to the imposition of Taxes forthwith after receipt thereof.
- (e) The Chargor shall pay to the Chargee, in addition to any other amounts required to be paid hereunder, the amount required by the Chargee in its sole discretion for a reserve on account of future liability for Taxes.
- (f) In no event shall the Chargee be liable for any interest on any amount paid to it on account of Taxes and the monies so received may be held with its own funds pending payment or application thereof as herein provided; provided that in the event that the Chargee does not utilize the funds received on account of Taxes in any calendar year, such amount or amounts may be held by the Chargee on account of any pre-estimate of Taxes required for the next succeeding calendar year, or at the Chargee's option the Chargee may repay such amount to the Chargor without any interest.
- (g) The Chargor shall in all instances be responsible for the payment of any and all penalties resulting from any arrears of Taxes or any late payment of current instalments thereof, and at no time shall such penalties be the responsibility of the Chargee.
- (h) In the event the Chargee does not collect payments on account of Taxes as aforesaid, the Chargor shall deliver to the Chargee or on before December 31<sup>st</sup> in each calendar year or such other times or dates that the Chargee requests, written evidence from all taxing authorities having jurisdiction to the effect that all Taxes for the then current calendar year and any preceding calendar years have been paid in full, failing which, the Chargee shall be entitled to charge a servicing fee for each written inquiry directed to such taxing authorities or the Chargor for the purpose of ascertaining the status of the Taxes together with any costs payable to such taxing authorities for such information.

10.17 **Utilities** – The Chargor covenants that it will pay all utility and fuel charges related to the Lands as and when they are due. Except as may be necessary during the course of construction upon the Lands, the Chargor will not allow or cause the supply of utilities or fuel to the Lands to be interrupted or discontinued and that, if the supply of fuel oil or utilities is interrupted or discontinued, the Chargor will take all steps that are necessary to ensure that the supply of utilities or fuel is restored forthwith.

10.18 **Insurance** – The Chargor will insure and keep insured during the term of this Charge the buildings and other improvements on the Lands (now or hereafter erected) on an all-risks basis in an amount of not less than the greater of the full replacement value of the buildings located thereon from time to time, or the principal

money herein, with no co-insurance provisions and with the Chargee's standard mortgage clause forming part of such insurance policy. The Chargor shall carry such liability, rental, boiler, plate glass and other insurance coverage as is required by the Chargee to be placed with such insurance companies and in such amounts and in such forms as may be acceptable to the Chargee. All such policies shall provide for loss payable to the Chargee and contain such additional clauses and provisions as the Chargee may require. An original of all insurance policies and endorsements from the insurer to the effect that coverage has been bound and/or extended for a minimum period of at least one year and that all premiums with respect to such term of such coverage have been paid in full, shall be produced to the Chargee prior to any advance and at least thirty (30) days before expiration of any term of any such respective policy, failing which the Chargee may provide thereof and charge the premium paid thereof and interest thereon at the aforesaid rate to the Chargor and any amounts so paid by the Chargee shall be payable forthwith to the Chargee and shall also be a charge upon the Lands and secured by this Charge. It is further agreed that the Chargee may at any time require any insurance on the said buildings to be cancelled and new insurance effected with a company to be named by it, and also may, of its own accord, effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be forthwith payable to it, together with interest at the rate aforesaid by the Chargor (together with any costs of the Chargee as herein set out), and shall be a charge upon the Lands and secured by this Charge.

In the event that the evidence of continuation of such insurance as herein required has not been delivered to the Chargee within the required time, the Chargee shall be entitled to a servicing fee for each written inquiry which the Chargee shall make to the insurer or the Chargor pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the Lands, the Chargee, in addition to the aforementioned servicing fee, shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

In the event of any loss or damage, the Chargor shall forthwith notify the Chargee in writing and notwithstanding any other provision to the contrary, statutory or otherwise, in the event of any monies becoming payable pursuant to any insurance policy herein required, the Chargee may, at its option, require the said monies to be applied by the Chargor in making good the loss or damage in respect of which the monies is received, or in the alternative, may require that any or all of the monies so received be applied in or towards satisfaction of any or all of the indebtedness hereby secured whether or not such indebtedness has become due. No damage may be repaired nor any reconstruction effected without the approval in writing of the Chargee in any event.

The Chargor, upon demand, will transfer all policies of insurance provided for herein and the indemnity which may become due therefrom to the Chargee. The Chargee shall have a lien for the indebtedness hereby secured on all the said insurance proceeds and policies, and may elect to have these monies applied as it may deem appropriate, including payment of monies secured hereby, whether due or not, but the Chargee shall not be bound to accept the said monies in payment of any principal not yet due.

10.19            **Remittance and Application of Payments** – All payments of principal, interest and other monies payable hereunder to the Chargee shall be payable at par in lawful money of Canada at the Chargee's address for service as set out in this Charge or at such other place as the Chargee shall designate in writing from time to time. In the event that any of the monies secured by this Charge are forwarded to the Chargee by mail, payment will not be deemed to have been made until the Chargee has actually received such monies and the Chargor shall assume and be responsible for all risk of loss or delay. Notwithstanding anything herein to the contrary, in the event of any default under this Charge, the Chargee may apply any payments received in whatever order the Chargee may elect as between principal, interest, realty taxes, insurance premiums, repairs, costs and any other advances or payments made by the Chargee hereunder.

10.20            **Receipt of Payment** – Any payment received after 2:00 p.m. on any date shall be deemed, for the purpose of calculation of interest to have been made and received on the next bank business day and the Chargee

shall be entitled to interest on the amount due it, to and including the date on which the payment is deemed by this provision to have been received.

10.21 **No Deemed Re-investment** – Except in the case where this Charge provides for blended payments of principal and interest whether paid monthly or otherwise, the parties hereto agree that the Chargee shall not be deemed to reinvest any monthly or other payments received by it hereunder.

10.22 **INTENTIONALLY DELETED**

10.23 **Postdated Cheques** – The Chargor shall, if and when required by the Chargee, deliver to the Chargee upon the first advance of moneys hereunder or upon request and thereafter on each anniversary date thereof in each year for the duration of the term of this Charge, postdated cheques for the payments of principal, interest and estimated realty taxes required to be made herein during the twelve month period commencing on each such anniversary date. In the event of default by the Chargor in delivery to the Chargee of the postdated cheques as herein provided, this Charge shall be deemed in default and the Chargee shall be entitled to pursue any and all of its remedies herein and/or at law as it may deem necessary at its option. In addition, the Chargee upon the Chargor's failure to deliver such postdated cheques as required hereunder shall be entitled to a servicing fee for each written request that it makes to the Chargor for the purpose of obtaining such postdated cheques. Any step taken by the Chargee hereunder by way of a request for further postdated cheques shall be without prejudice to the Chargee's rights hereunder to declare the Charge to be in default in the event that such postdated cheques are not delivered within the required time.

10.24 **Dishonoured Cheques** – In the event that any of the Chargor's cheques are not honoured when presented for payment to the drawee, the Chargor shall pay the Chargee for each such returned cheque a servicing fee to cover the Chargee's administration costs with respect to same. In the event that the said cheque which has not been honoured by the drawee is not forthwith replaced by the Chargor, the Chargee shall be entitled to a further servicing fee for each written request therefor which may be necessitated by the Chargor not forthwith replacing such dishonoured cheque.

10.25 **Financial and Operating Statements** – The Chargor covenants that, within the periods of time hereinafter specified, or within such other period(s) of time as may be specified by the Loan Agreement, the Chargor shall deliver or cause to be delivered to the Chargee the following:

- (a) within 60 days after the end of each fiscal quarter of operation to the Lands, quarterly financial reports, including the balance sheet and statement of income for the quarter and on a year-to-date basis, with details of accounts payable and all priority payables, certified as accurate by an appropriate corporate officer;
- (b) within 120 days after the end of each fiscal year of operation of the Lands, an annual operating statement in respect of the Lands for the immediately preceding fiscal year setting forth the gross rents and other income derived from the Lands, the cost and expenses of operation and maintenance of the Lands and such other information and explanations in respect of the same as may be required by the Chargee;
- (c) within 120 days after the end of each fiscal year of each Chargor and Covenantor which is a corporation, the annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Chargee;
- (d) with respect to each Chargor and Covenantor who is an individual and within 30 days after each anniversary of the date of the Loan Agreement, an annual updated net worth statement of each such

individual in such form and including such content and other information and explanations as may be required by the Chargee; and

- (e) such further or other information as the Chargee may reasonably require from time to time in the monitoring and managements of its risk.

All such operating and financial statements shall be prepared at the expense of the Chargor and in accordance with generally accepted accounting principles applied on a consistent basis and on a review engagement basis by a duly qualified chartered accountant or certified public accountant which is acceptable to the Chargee, and the completeness and correctness of such statements shall be supported by an affidavit of an unauthorized officer of the Chargor or Covenantor, as the case may be.

10.26 **Estoppel Acknowledgements** – If and whenever the Chargee requests an acknowledgement from the Chargor as to the statement of account with respect to this Charge or the status of the terms and conditions of this Charge, the Chargor shall execute such an acknowledgement in such form as may be required by the Chargee provided that the contents of such form are correct, and the Chargor shall do so forthwith upon request and without cost to the Chargee and shall return such acknowledgement duly executed within forty-eight (48) hours of such request.

10.27 **Statements of Account** – The Chargor shall be entitled to receive upon written request, a statement of account with respect to this Charge as of any payment date under this Charge and the Chargee shall be entitled to a servicing fee for each such statement.

10.28 **Renewal or Extension of Time** – No renewal or extension of the terms of this Charge given by the Chargee to the Chargor, or anyone claiming under him, or any other dealing by the Chargee with the owner of the equity of redemption of the Lands, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the monies hereby secured, and this Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest, or amended from time to time as to any of its terms, including, without limitation, an increase of interest rate or principal amount notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority for this Charge so altered over any instrument registered subsequent to this Charge; provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

Provided further that the terms of this Charge may be amended or extended from time to time by mutual agreement between the Chargor and the Chargee and the Chargor hereby further covenants and agrees that, notwithstanding that the Chargor may have disposed of his interest in the Lands hereby secured, the Chargor will remain liable as a principal debtor and not as a surety for the observance of all of the terms and provisions herein and will in all matters pertaining to this Charge well and truly do, observe, fulfill and keep all and singular the covenants, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof notwithstanding the given of time for the payment of the Charge or the varying of the terms of the payment thereof or the rate of interest thereon or any other indulgence by the Chargee to the Chargor.

The Chargor covenants and agrees with the Chargee that no agreement for renewal hereof or for extension of the time for payment of any monies payable hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the original term of this Charge or of any subsequent term agreed to in writing between the Chargor and the Chargee, and that no renewal hereof or extension of the time for payment of any monies hereunder shall result from, or be implied from, any other act, matter or thing, save only express agreement in writing between the Chargor and the Chargee.

10.29 **Construction Liens** – The Chargee may, at its option, withhold from any advances for which the Chargor may have qualified such amounts as the Chargee, in its sole discretion, considers advisable so as to ensure

the priority of all advances over all liens arising under any construction lien legislation until such time as the Chargee is fully satisfied that all lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this Charge shall be construed to make the Chargee an "owner" or "payer" as defined under any construction lien legislation, nor shall there be or be deemed to be any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be retained by the "owner" or "payer" pursuant to any construction lien legislation shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of all construction lien legislation.

10.30            **Expropriation** – If the Lands or any part thereof shall be expropriated by any government, authority, body or corporation clothed with the powers of expropriation, the principal sum herein remaining unpaid shall at the option of the Chargee forthwith become due and payable together with interest thereon at the rate provided for herein to the date of payment together with a bonus equal to the aggregate of (a) three months' interest at the same rate calculation on the amount of the principal remaining unpaid, AND (b) one month's interest at the rate provided for herein calculated on the principal remaining unpaid, for each full year of the term of this Charge or any part of such year from the said date of payment to the date the said principal sum or balance thereof remaining unpaid would otherwise under the provisions of this Charge become due and payable and in any event all the proceeds of any expropriation shall be paid to the Chargee at its option in priority to the claims of any other party.

10.31            **INTENTIONALLY DELETED**

10.32            **Sale or Change of Control** – In the event of a further encumbrance or a sale, conveyance or transfer of the Lands or any portion thereof, or a change in control of the Chargor or a change in the beneficial ownership of the Lands or any portion thereof or a lease of the whole of the Lands, all sums secured hereunder shall, at the Chargee's option, become due and payable forthwith unless the written consent of the Chargee has been first obtained, which consent shall not be unreasonably withheld. The rights of the Chargee pursuant to this provision shall not be affected or limited in any way by the acceptance of payments due under this Charge from the Chargor or any person claiming through or under him and the rights of the Chargee hereunder shall continue without diminution for any reason whatsoever until such time as the Chargee has consented in writing as required by this provision. No permitted sale or other dealing by the Chargor with the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured. The foregoing shall not apply to any sale to a bona fide arm's length purchaser for value of a single family residential lot or condominium unit intended to be used by such purchaser for residential purposes.

10.33            **Event of Default** – Without limiting any of the provisions of this Charge, each of the following events shall be considered events of default hereunder upon the happening of which the whole of the principal sum outstanding and all interest accruing thereon and all amounts due hereunder shall immediately become due and payable at the option of the Chargee exercised by notice in writing to the Chargor:

- (a) Failure by the Chargor or any Covenantor to pay any instalment of principal, interest and/or any amounts owing under the Loan Agreement or this Charge including without limiting the generality of the foregoing, taxes under this Charge or under any charge or other encumbrance of the Lands, on the date upon which any of the payments for same become due;
- (b) Failure by the Chargor or any Covenantor to strictly and fully observe or perform any condition, agreement, covenant or term set out in the application or Loan Agreement for the loan secured by this Charge, the provisions of this Charge, or any other document giving contractual relationship as between them or any of them or if it is found at any time that any representation to the Chargee with respect to the loan secured by this Charge or in any way related thereto is incorrect or misleading;

- (c) Default by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in the Loan Agreement or any charge or other encumbrance affecting the Lands, whether or not it has priority over this Charge;
- (d) Upon the registration of any construction lien against the Lands which is not discharged or vacated on or before the date which is the earlier of 21 days after the date of registration of such construction lien and the day immediately preceding the last date upon which a legal action can be commenced in respect of such construction lien;
- (e) In the event that any Hazardous Substance is discovered in, on or under the Lands or any part thereof and the Chargee does not within seven (7) days after demand therefor by the Chargee immediately commence and thereafter diligently proceed to completely remove the same to the entire satisfaction of the Chargee;
- (f) In the event that the Lands are abandoned or there is any cessation of the business activities or any material part thereof now being conducted upon the Lands by the Chargor or the beneficial owner of the Lands or any of their respective officers, agents, employees, tenants or invitees;
- (g) If the Chargor or any Covenantor commits an act of bankruptcy or becomes insolvent or has a receiver or receiver and manager appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced upon the Lands or any part thereof or if any compromise or arrangement with creditors is made by any of them;
- (h) If the Chargor or any Covenantor shall fail to maintain reasonable currency with respect to the government priority payables.

10.34 **Default** – The Chargee may, on default of payment or in the performance of any covenant in this Charge contained or implied by law or statute, enter on and lease the Lands or in default of payment or in default in performance of any covenant in this Charge contained or implied by law or statute for at least fifteen (15) days may, on at least thirty-five (35) days' notice sell the Lands. Such notice shall be given to such persons and in such manner and form and within such time as provided under the Mortgages Act, as amended from time to time. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with a grown-up person on the Lands, if occupied, or by placing it on the Lands if unoccupied, or at the option of the Chargee, by mailing in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the Lands are situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained, or under disability. If there be legal personal representatives of the Chargor on the death of the Chargor, such notice may, at the option of the Chargee, be given in any of the above modes or by person service upon such representatives.

Provided further, without prejudice to the statutory powers of the Chargee under the preceding proviso, that in case default be made in the payment of the said principal or interest or any part thereof and such default continues for two months after any payment of either principal or interest falls due, the Chargee may exercise the powers given under the preceding proviso with or without entry on the Lands without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. And that the Chargee may sell the whole or any part or parts of the Lands by public auction or private contract, or partly one or partly the other; and that the proceeds of any sale hereunder may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Lands or by reason of non-payment or procuring payments of monies secured hereby or otherwise; and that the Chargee may sell any of the Lands on such terms as to credit and



otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which it shall deem proper; and may buy in or rescind or vary any contract for the sale of the whole or any part of the Lands and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder and the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no cause had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given, but any person damnified by an unauthorized, improper or irregular exercise of the power shall have his remedy against the person exercising the power in damages only.

And it is hereby agreed between the parties hereto that the Chargee may pay all premiums of insurance and all Taxes which shall from time to time fall due and be unpaid in respect of the Lands, and that such payments together with all costs, charges and legal fees (between a solicitor and his own client), and expenses which may be incurred in taking, recovering and keeping possession of the Lands, and of negotiating this loan, investigating title, and registering this Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize this security, (including legal fees, real estate commissions, appraisal costs and other costs incurred in leasing or selling the Lands or in exercising the power of entering, leasing and selling herein contained) shall be with interest at the rate aforesaid and shall be a charge upon the Lands in favour of the Chargee and that the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the Lands, and that any amount paid by the Chargee shall be added to the monies hereby secured and shall be payable forthwith with interest at the rate herein, and in default this Charge shall immediately become due and payable at the option of the Chargee, and all powers in this Charge conferred shall become exercisable. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the money advanced on the security of this Charge or otherwise, the Chargee shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or government so paid and is hereby authorized to obtain an assignment or discharge thereof, and to retain same, for whatever period the Chargee shall deem it proper to do so.

Provided that wherever a power of sale is hereby conferred upon the Chargee, all provisions hereof relating to exercising such power, including, without in any way limiting the generality of the foregoing, the persons to whom notice of exercising such power shall be given and the manner of giving such notice, shall be deemed to have been amended so as to comply with the requirements of law from time to time in force with respect to exercising such power of sale, and wherever there shall be a conflict between the provisions of this Charge relating to exercising such power of sale and the requirements of such law, the provisions of such law shall govern. Insofar as there is no such conflict, the provisions of this Charge shall remain unchanged.

Provided that the Chargee may lease or sell as aforesaid without entering into possession of the Lands.

Provided that the Chargee may distrain for arrears of interest and that the Chargee may distrain for arrears of principal and arrears of Taxes in the same manner as if the same were arrears of interest.

Provided that in default of the payment of the interest hereby secured the principal hereby secured shall become payable at the option of the Chargee, together with interest thereon.

Provided that upon default of payment of instalments of principal promptly as the same become due, the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.

Provided that, upon default under this Charge, the Chargee shall be entitled and shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter.

Provided that until default hereunder the Chargor shall have quiet possession of the Lands.

And that on default the Chargee shall have quiet possession of the Lands.

Provided that the Chargee may in writing at any time or times after default waive such default and upon such waiver the time or times for payment of the principal secured herein shall be as set out in the proviso for redemption herein. Any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default. No waiver shall be effective or binding on the Chargee unless made in writing.

And it is further agreed by and between the parties that the Chargee may at its discretion at any time, release any part or parts of the Lands or any other security or any surety for the money hereby secured either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the Lands or any person from this Charge or from any of the covenants herein contained, it being especially agreed that every part or lot into which the Lands are or may hereafter be divided does and shall stand charged with all of the monies hereby secured and no person shall have the right to require the principal secured hereunder to be apportioned; further the Chargee shall not be accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. No sale or other dealing by the Chargor with the equity of redemption in the Lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies hereby secured.

It is further agreed that the Chargee may exercise all remedies provided for in this Charge concurrently or in such order and at such times as it may see fit and shall not be obligated to exhaust any remedy or remedies before exercising its rights under any other provisions contained in this Charge.

And without limiting any other provision of this Charge, the Chargor acknowledges and agrees that, upon the occurrence of any default under this Charge and whether or not the monies hereby secured have been fully advanced, the Chargee may, at any time and from time to time as the Chargee shall determine at its sole option and discretion, advance such further sums under this Charge as are necessary to pay any arrears of Taxes, utilities or other charges capable of constituting a lien upon the Lands pari passu with or in priority to this Charge, to pay all amounts due under any encumbrance having priority over this Charge, to pay all amounts required to discharge or vacate any construction lien registered against the Lands whether or not priority is claimed over this Charge, to maintain in good standing any policies of insurance in respect of the Lands, to maintain, repair, operate and/or manage the Lands and any or all improvements thereon, to complete construction or renovation of any improvements on the Lands, to realize upon any security held by the Chargee for the loan secured by this Charge and generally to enforce all of the Chargee's rights, title and interest hereunder and to protect the Lands and to preserve the enforceability and priority of this Charge, and to pay any and all Costs; and all amounts advanced by the Chargee for any of the purposes as aforesaid shall bear interest at the rate applicable under this Charge from the date so advanced until repaid in full and shall be secured by this Charge in the same priority as the principal amount hereof.

10.35            **Right of Chargee to Repair** – The Chargor covenants and agrees with the Chargee that in the event of default in the payment of an instalment or other monies payable hereunder by the Chargor or on breach of any covenant, proviso or agreement herein contained, after all or any of the monies hereby secured have been advanced, the Chargee may, at such time or times as the Chargee may deem necessary and without the concurrence of any person, enter upon the Lands and may make such arrangements for completing the construction of, repairing

or putting in order any buildings or other improvements on the Lands or for inspecting, taking care of, leasing, collecting the rents of and generally managing the Lands, as the Chargee may deem expedient; and all reasonable costs, charges and expenses including, but not limited to, allowances for the time and services of any employee of the Chargee or other person appointed for the above purposes, and a servicing fee shall be forthwith payable to the Chargee by the Chargor and shall be a charge upon the Lands and shall bear interest at the aforesaid rate until paid.

10.36 **Appointment of a Receiver** – It is declared and agreed that at any time and from time to time when there shall be default under the provisions of this Charge, the Chargee may at such time and from time to time and with or without entering into possession of the Lands appoint in writing a Receiver of the Lands, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the Mortgages Act (Ontario), the Construction Lien Act (Ontario), or the Trustee Act (Ontario) as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Lands or any part thereof and the Chargor hereby consents to a Court Order for the appointment of such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the Chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, lease and/or sell the Lands and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Lands, including without limitation, charges and construction lien claims. Upon the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) A Statutory Declaration made by the Chargee or by any authorized representative of the Chargee as to default under the provisions of this Charge shall be conclusive evidence thereof;
- (b) Every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect to the Lands, or any part thereof, whether in respect of any tenancies created in priority to this Charge or subsequent thereto and with respect to all responsibility and liability for its acts and omissions;
- (c) The Chargee may from time to time fix the remuneration of every such Receiver which shall be a charge on the Lands, and may be paid out of the income therefrom or the proceeds of sale thereof;
- (d) The appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession in respect of the Lands or any part thereof;
- (e) The Receiver shall have the power to rent any portion of the Lands for such term and subject to such provisions as it may deem advisable or expedient and shall have the authority to execute any lease of the Lands or any part thereof in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm, and hereby ratifies and confirms whatever acts such Receiver may do on the Lands;
- (f) In all instances, the Receiver shall be acting as the attorney or agent of the Chargor;
- (g) Every such Receiver shall have full power to complete any unfinished construction upon the Lands;

- (h) Such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Chargor for the purposes of securing the payment of rental from the Lands or any part thereof;
- (i) The Receiver shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter;
- (j) The Receiver shall have full power to do all acts and execute all documents which may be considered necessary or advisable in order to protect the Chargee's interest in the Lands including, without limiting the generality of the foregoing, increasing, extending, renewing or amending all charges, mortgages and other encumbrances which may be registered against the Lands from time to time, whether or not any of the same are prior to the interest of the Chargee in the Lands; sale of the Lands; borrowing money on the security of the Lands; applying for and executing all documents in any way related to any re-zoning applications, severance of lands pursuant to the provisions of the Planning Act, as amended, subdivision agreements and development agreements and agreements for the supply or maintenance of utilities or services to the Lands, including grants of lands or easements or rights of way necessary or incidental to any such agreements; executing all grants, documents, instruments and agreements related to compliance with the requirements of any competent governmental authority, whether pursuant to a written agreement or otherwise and applying for and executing all documents in any way related to registration of the Lands as a condominium; completing any application for first registration pursuant to the provisions of the Land Titles Act (Ontario) or pursuant to the Certification of Titles Act (Ontario); and for all and every of the purposes aforesaid it does hereby give and grant unto the Receiver full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done as aforesaid in and about the Lands, and to commence, institute and prosecute all actions, suits and other proceedings which may be necessary or expedient in and about the Lands, as fully and effectually to all intents and purposes as it itself could do if personally present and acting therein.
- (k) Such Receiver shall not be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof and out of such cash so received every such Receiver shall pay in the following order: (i) its remuneration; (ii) all payments made or incurred by it in the exercise of its powers hereunder; and (iii) any payment of interest, principal and other money which may from time to time be or become charged upon the Lands in priority to the monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Lands or any part thereof.

The Chargor hereby irrevocably appoints the Chargee as his attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitors so as to give effect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or the Receiver and/or with respect to the Lands in the same manner as if such documentation was duly executed by the Chargor himself.

10.37            **Chargee Not to Be Deemed Chargee in Possession** – The Chargor acknowledges and agrees that, in exercising any of the rights given to the Chargee under this Charge, the Chargee shall be deemed not to be a chargee or mortgagee in possession.

10.38            **Enforcement of Additional Security** – In the event that, in addition to the Lands charged hereby, the Chargee holds further security on account of the monies secured hereby, it is agreed that no single or partial exercise of any of the Chargee's powers hereunder or under any of such security, shall preclude other and further exercise of any other right, power or remedy pursuant to any of such security. The Chargee shall at all times have the right to proceed against all, any, or any portion of such security in such order and in such manner as it shall in its

sole discretion deem fit, without waiving any rights which the Chargee may have with respect to any and all of such security, and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the remaining security, provided however, that upon payment of the full indebtedness secured hereunder the rights of the Chargee with respect to any and all such security shall be at an end.

10.39            **Taking of Judgment Not a Merger** – The taking of a judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Chargee's right to interest at the rate and times herein provided; and further that the same judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as herein provided until the said judgment shall have been fully paid and satisfied.

10.40            **Bankruptcy and Insolvency Act** – The Chargor hereby acknowledges and agrees that:

- (a)    the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor;
- (b)    notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Lands as agent on behalf of the Chargor or otherwise or by taking possession of the Lands itself pursuant to any rights that the Chargee may have with respect thereto shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or with respect to enforcement of this Charge or any other security held by the Chargee; and,
- (c)    any and all Costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor; and the Chargee shall be entitled to incur any such Costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

10.41            **Permissible Interest Rate** – It is not the intention of this Charge to violate any provisions of the Interest Act (Canada), the Criminal Code (Canada) or any other statute dealing with permitted rates of interest in the Province of Ontario or in Canada. Notwithstanding any provisions set out herein, in no event shall the "interest" (as that term is defined in the Criminal Code) exceed the "criminal rate" (as defined therein) of interest on the "credit advanced" (as defined therein) lawfully permitted under the said legislation. In the event that it is determined at any time that, by virtue of the Loan Agreement, this Charge or any other document given as security for the herein contemplated loan, the payments of interest required to be made by the Chargor exceed the "criminal rate", then the Chargor shall only be required to pay interest at the highest rate permitted by law. Nothing herein shall invalidate any requirements for payment pursuant to the Loan Agreement, this Charge or such other security documents, and any excess interest paid to the Chargee shall be refunded to the Chargor and the provisions of this Charge shall in all respects be deemed to be amended accordingly.

10.42            **Non-Merger** – Notwithstanding the registration of this Charge and the advance of funds pursuant hereto, the terms and conditions of the Loan Agreement shall remain binding and effective on the parties hereto, and shall not merge in this Charge nor in any document executed and delivered to the Chargee in connection with the transaction contemplated by the Loan Agreement, and the terms of the Loan Agreement are incorporated herein by

reference. In the event of any inconsistencies or ambiguities between the provisions of this Charge and the Loan Agreement, the provisions of the Loan Agreement shall prevail.

10.43 **Notices** – All notices or other communications to be given pursuant to or in connection with this Charge shall be in writing, signed by the party giving such notice or by its solicitors, and shall be personally delivered or sent by registered mail or facsimile transmission to the party or parties intended at its or their respective addresses for service as set out in this Charge. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

10.44 **Priority over Vendor's Lien** – The Chargor hereby acknowledges that this Charge is intended to be prior to any vendor's lien, whether in favour of the Chargor or otherwise, and the Chargor covenants that he has done no act to give priority over this Charge to any vendor's lien, nor is he aware of any circumstances that could create a vendor's lien. Further, the Chargor covenants to do all acts and execute or cause to be executed all documents required to give this Charge priority over any vendor's lien and to give effect to the intent of this clause.

10.45 **Consent of Chargee** – Wherever the Chargor is required by this Charge to obtain the consent or approval of the Chargee, it is agreed that, subject to any other specific provision contained in this Charge to the contrary, the Chargee may give or withhold its consent or approval for any reason that it may see fit in its sole and absolute discretion, and the Chargee shall not be liable to the Chargor in damages or otherwise for its failure or refusal to give or withhold such consent or approval, and all costs obtaining such approval shall be for the account of the Chargor.

10.46 **Family Law Act (Ontario)** – The Chargor shall forthwith after any change or happening affecting any of the following, namely, (a) the spousal status of the Chargor, (b) the qualification of the Lands or any part thereof as a matrimonial home within the meaning of Part II of the Family Law Act (Ontario), (c) the ownership of the equity of redemption in the Lands or any part thereof, and (d) a shareholder of the Chargor obtaining rights to occupy the Lands or any part thereof by virtue of shareholding within the meaning of Section 18(2) of the Family Law Act (Ontario), or any successor provision thereof, as the case may be, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the said equity of redemption and of any spouse who is not an owner but who has a right of possession in the Lands by virtue of Section 19 of the Family Law Act (Ontario) or any successor provision thereof. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of (a), (b) (c), and (d) above as the Chargee may from time to time request.

10.47 **Independent Legal Advice** – The Chargor and Covenantor(s) acknowledge that they have full knowledge of the purpose and essence of this transaction, and that they have been appropriately and independently legally advised in that regard or have been advised of their right to independent legal advice and have declined same. Such parties agreed to provide to the Chargee a Certificate of Independent Legal Advice as and when same may be required, regarding their knowledge and understanding of this transaction.

10.48 **Discharge** – The Chargee shall have a reasonable period of time after payment in full of the monies hereby secured within which to prepare and execute a discharge of this Charge; and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee; and all legal and other expenses for the preparation and execution of such discharge shall, together with the Chargee's fee for providing same, be borne by the Chargor. The discharge shall be prepared and executed by such persons as are specifically authorized by the Chargee and the Chargee shall not be obligated to execute any discharge other than a discharge which has been so authorized. If this Charge, the Loan Agreement or any other document provides for the giving of partial discharges of this Charge, it is agreed that, notwithstanding any other provision to the contrary, the

Chargor shall not be entitled to request or receive any such partial discharge if and for so long as the Chargor is in default under this Charge, the Loan Agreement or such other document.

10.49 **Servicing Fees** – All servicing and administration fees as herein provided are intended to and shall be in an amount sufficient in the sole opinion of the Chargee to compensation the Chargee for its administrative costs and shall not be deemed a penalty. The amount of such servicing and administration fees if not paid shall be added to the principal amount secured hereunder, and shall bear interest at the rate aforesaid and the Chargee shall have the same rights with respect to collection of same as it does with respect to collection of principal and interest hereunder or at law. Such servicing and administration fees shall include, but shall not be limited to, the following:

- (a) The Chargee's fee (currently \$350.00) for each mortgage statement provided by the Chargee at the request of the Chargor;
- (b) The Chargee's fee (currently \$350.00) for each payment hereunder made by the Chargor which his not honoured by its bank (in addition to all bank charges incurred in connection with the same);
- (c) The Chargee's fee (currently \$400.00) for each demand letter or other communication sent by the Chargee to the Chargor in consequence of any default by the Chargor hereunder (in addition to all legal and other professional costs incurred in connection therewith);
- (d) The Chargee's fee (currently \$300.00) for each draw request or request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (e) The Chargee's fee (currently \$300.00) for each wire or electronic transfer of funds to the Chargor or as it may otherwise direct in writing in connection with each draw request for advance of funds under this Charge and pursuant to the Loan Agreement;
- (f) The sum of \$300.00 for each residential condominium unit (together with any related parking, locker or other units) in respect of which the Chargee gives a partial discharge of this Charge, payable at the time of the Chargee giving such partial discharge together with all reasonable legal costs incurred by the Chargee in such regard.

10.50 **Interpretation** – Provided and it is hereby agreed that, in construing this Charge, everything herein contained shall extend to and bind and may be enforced or applied by the respective heirs, executors, administrators, successors in office, successors and assigns, as the case may be, of each and every of the parties hereto, and where any of the Chargor, the Chargee and any Covenantor is more than one person, their respective covenants shall be deemed to be joint and several, and the provisions of this Charge shall be read and construed with all changes of gender and number as required by the context.

10.51 **Headings** – The headings with respect to the various paragraphs of this Charge are intended to be for identification of the various provisions of this Charge only and the wording of such headings is not intended to have any legal effect.

10.52 **Invalidity** – If any of the covenants or conditions in this Charge inclusive of all schedules forming a part hereof shall be void for any reason it shall be severed from the remainder of the provisions hereof and the remaining provisions shall remain in full force and effect notwithstanding such severance.

10.53 **Counterparts** – This Charge may be executed and/or registered in counterparts, each of which, so executed, and/or registered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, and notwithstanding their date of execution shall be deemed to bear date as of the date above written.

10.54            **Restriction on Further Financing** – The Chargor agrees not to enter into any further financing of the Lands and not to further encumber same in any manner without the prior written approval of the Chargee; provided that in accordance with the terms set out in the Loan Agreement and a Lender Acknowledgement and Consent Agreement between the Chargor and Chargee, the Chargor may obtain construction financing secured by a charge(s) on the Lands in an amount of up to \$20,450,000; and the Chargee agrees to execute all documents necessary to subordinate the Chargee's Charge on the Lands to any charge(s) of such construction financier(s). The Chargee hereby appoints the Chargor as its power of attorney to execute documents on behalf of the Chargee in relation to any such subordination(s).

10.55            Intentionally Deleted

10.56            **Loan Syndication** – The Chargor acknowledges that the Chargee will be administering the loan secured by this Charge and holding one or more interests therein as manager and/or trustee on behalf of certain investors, participants, co-lenders or other persons (including, without limitation, any mortgage broker, agent or other party who or which may have assisted in arranging the loan) whose interest may or may not be shown on the loan documents, and the Chargor agrees to pay all reasonable costs incurred by the Chargee in connection therewith.

10.57            **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 Lands, the parties hereto covenant and agree that the following conditions shall apply:

- (a) All construction on the Lands shall be carried out by reputable contractors having experience which is commensurate to nature and size of the project to be constructed.
- (b) The renovations to the building and structures located on the Lands having been commenced shall be continued in a good and workmanlike manner, with all due diligence and in accordance with the plans and specifications delivered to the Chargee and to the satisfaction of all governmental and regulatory authorities having jurisdiction.
- (c) Provided that should construction on the project on the Lands cease for any reason whatsoever (strikes, material shortages and weather conditions beyond the control of the Chargor excepted), for a period of ten (10) consecutive days (Saturdays, Sundays and Statutory holidays excepted), then, at the option of the Chargee, this Charge shall immediately become due and payable. In the event that construction does cease, then the Chargee 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 Chargee 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 Chargee. 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 Chargee shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of principal and interest hereunder or at law.
- (d) At all times there shall be sufficient funds unadvanced under this Charge and retained by the Chargee to complete the construction and/or renovation of the project on the Lands and as may be necessary to retain the Chargee's priority with respect to any deficiency in the holdbacks required by the Chargor under the Construction Lien Act (Ontario).
- (e) This Charge will be advanced in stages as construction upon the Lands proceeds or as the conditions as enumerated by the Loan Agreement are complied with.



- (f) 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 Chargee with respect to the said project and the progress thereof, whose fees and costs shall be for the account of the Chargor 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 Lands. Such certificates with respect to any values shall not include materials on the site which are not incorporated into the building.
- (g) The Chargor shall pay to the Chargee on each occasion when an inspection of the Lands is required to confirm construction costs to date and compliance with conditions for further advances, an inspection fee in such reasonable amount as the Chargee may charge from time to time for each such inspection and the Chargee's solicitors shall be paid their reasonable fees and disbursements for each subsearch and work done prior to each such advance and all such monies shall be deemed to be secured hereunder and the Chargee 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.
- (h) The Chargor covenants and agrees upon completion of the project to be erected on the Lands to deliver as further security for the loan herein secured, a General Security Agreement covering the goods, equipment and chattels to be installed in the same building, said General Security Agreement to be in a form approved by the solicitor for the Chargee.

10.58 **Condominium Provisions** – Provided that if all or any part of the Lands is or becomes a condominium unit pursuant to the provisions of the Condominium Act (Ontario), the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

- (a) For the purposes of all parts of the Lands comprising one or more such condominium units, all references in this Charge to the Lands shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation;
- (b) The Chargor shall at all times comply with the Condominium Act (Ontario) and shall forward to the Chargee proof of such compliance as the Chargee may request from time to time including, without limitation, status certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Chargee may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;
- (c) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Lands in accordance with the provisions of the Condominium Act (Ontario) and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and if the Chargor fails to make such payment, the Chargee may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

- (d) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor to vote or to consent as an owner within the meaning of the Condominium Act (Ontario) with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:
- (i) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee; and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;
  - (ii) the Chargee shall not be under any obligation to vote or to consent or to protect the interests of the Chargor; and
  - (iii) the exercise by the Chargee of its right to vote or to consent or to abstain from doing so shall not constitute the Chargee as a mortgagee or charge in possession and shall not give rise to any liability on the part of the Chargee;
- (e) The Chargor shall forward to the Chargee by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Lands or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:
- (i) fourteen (14) days after receipt of the same by the Chargor;
  - (ii) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;
  - (iii) seven (7) days prior to the due date of any claim or demand for payment; and
  - (iv) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;
- (f) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargee to inspect the records of the Condominium Corporation at any reasonable time; and
- (g) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargee's option, become immediately due and payable without notice or demand if any of the following events or circumstances shall occur and be continuing:
- (i) the government of the Condominium Corporation or the government of the Lands by the Condominium Corporation is terminated;
  - (ii) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Lands, or any part of the same is expropriated;
  - (iii) the Condominium Corporation fails to comply with any provision of the Condominium Corporation (Ontario) or its declaration or any of its by-laws and rules; and

- (iv) the Condominium Corporation fails to insure its assets, including the Lands, in accordance with the Condominium Corporation (Ontario) and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same.

10.59 **Condominium Registration** – Replacement or Additional Security – The Chargee acknowledges that the Chargor intends to register the Lands as a condominium project and agrees to consent to such registration subject to the following conditions: (i) compliance by the Chargor with all requirements of all applicable laws and all governmental authorities; (ii) delivery to the Chargee of replacement or additional security for the loan secured by this Charge (including new mortgage(s), charge(s), assignment(s) and other security, opinion letters and an amended or replacement title insurance policy) as required by the Chargee in its sole discretion to be registered immediately following registration of the Lands as a condominium project and to constitute evidence of and security for the said loan in place of or in addition to the security delivered at the time of the first advance under this Charge, and the security delivered at the time of the first advance under this Charge will remain in place or may be discharged at the sole option and discretion of the Chargee; (iii) escrow and other arrangements satisfactory to the Chargee and its solicitors are entered into between all relevant parties (including registration of a temporary caution prohibiting any dealings with the Lands without the Chargee's consent) so as to ensure that the replacement or additional security is registered immediately following registration of the Lands as a condominium project, with the net effect that the condominium registration and registration of the replacement or additional security shall be, effectively, simultaneous events and that the condominium registration will not occur unless registration of the replacement or additional security occurs immediately thereafter; (iv) all such replacement or additional security will, after registration thereof, have the same effective priority and effect as the security delivered at the time of the first advance under this Charge; (v) the Chargor shall pay or reimburse the Chargee for all third party costs and expenses incurred by it in connection with the foregoing; and (vi) prior to the Chargee proceeding with any of the foregoing, the Chargor shall pay to the Chargee an amount as determined by the Chargee, acting reasonably, which it estimates to be sufficient to cover all such third party costs and expenses, and any surplus thereof shall be refunded to the Chargor.

10.60 **Additional Provisions**

- (a) Notwithstanding anything to the contrary contained in this Charge, any amount advanced under this Charge made by the Chargee shall be at the Chargee's sole and absolute discretion and the Chargee shall not be obligated at any time or times to make any advance under this Charge to the Chargor.
- (b) In addition to the payment by the Chargor of the principal amount owing from time to time under this Charge plus interest as set forth herein, the Chargor shall also pay to the Chargee, in certified funds or Bank Draft, forthwith after the determination is made by the Chargee in its opinion that the Additional Loan Payment is payable, the amount of the Additional Loan Payment calculated as set forth in Schedule "D" of the Loan Agreement in the same manner as contemplated in Section 4.05 of the Loan Agreement. Notwithstanding the foregoing, the Chargee, at its option, may also deduct from the Distributable Cash Proceeds (as the term is defined in the Loan Agreement), at any time and from time to time, all or any part of the Additional Loan Payment that the Chargee, in its opinion, believes is due and payable.
- (c) The Chargor acknowledges, confirms, covenants and agrees that the Chargee shall be deducting from the first advance under this Charge and any additional advance an amount equal to 12 month's projected interest at the interest rate contemplated herein, at the time of such advance(s) which shall be a contribution of the Chargor to the Interest Reserve (as the term is defined in the Loan Agreement). The Chargor further acknowledges, confirms,

covenants and agrees that the Chargee may from time to time and at any time, acting reasonably, deduct from the funds held in trust by the Chargee's Solicitors (as the term is defined in the Loan Agreement) or received from the Chargor, whether from the Distributable Cash Proceeds or otherwise, such amounts that in its opinion is necessary or appropriate to replenish the Interest Reserve. The Chargor covenants and agrees that the amount in the Interest Reserve shall be applied by the Chargee against the obligations of the Chargor to pay interest hereunder, pursuant to the Loan Agreement or on the Loan Installments (as the term is defined in the Loan Agreement) and that once applied or deducted by the Chargee from the Loan Installments, the Distributable Cash Proceeds or otherwise, the Chargor shall have no claim against the funds in the Interest Reserve.

- (d) the Chargee acknowledges that the initial face amount of the Mortgage/Charge, namely \$5,500,000, can be increased by the Chargor where the Chargor obtains a new valuation/appraisal of the Lands and Olympia Trust agrees, based on the new valuation/appraisal, that the Mortgage/Charge can be increased; and the Chargor shall be entitled to borrow additional monies and issue participation interests in the Charge/Mortgage to any additional Chargees; provided that the Charge/Mortgage face value shall not exceed \$12,800,000 in any event. The Chargee(s) authorize the Chargor on behalf of the Chargee(s) to increase the face amount of the Mortgage/Charge without any further written approval/consent of the Chargors, up to the amount agreed by the Chargor and Olympia Trust, in writing, but in no event exceeding \$12,800,000.

**Properties**

*PIN* 07074 - 0033 LT  
*Description* PT LT 6 , PL 125 , AS IN 641723 ; BURLINGTON  
*Address* 2168 GHENT AV  
 BURLINGTON

*PIN* 07074 - 0034 LT  
*Description* PT LT 6 , PL 125 , AS IN 205910 ; BURLINGTON  
*Address* 2174 GHENT AV  
 BURLINGTON

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
HR1100779	2013 05 17	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services  
 Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

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

**Transferee(s)**

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
<i>Name</i> OLYMPIA TRUST COMPANY		As to \$4,259,700.00 Interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP - See Schedule Attached 2200, 125 9th Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> 2223947 ONTARIO LIMITED		As to \$1,240,300.00 interest
<i>Address for Service</i> Tier 1 Transaction Advisory Services Inc. 250 Consumers Road Suite 501 Toronto, Ontario M2J 4V6		

**Statements**

The chargee transfers the selected charge for \$4,259,700.00.

Schedule: See Schedules

This document relates to registration no.(s)HR1100779

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2013 05 17  
 Mississauga Transferor(s)  
 L4W 4Y6

Tel 9056297800

Fax 9056294350

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

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2013 05 17  
Mississauga Transferee(s)  
L4W 4Y6

Tel 9056297800

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2013 05 17  
Mississauga  
L4W 4Y6

Tel 9056297800

Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12515

**SCHEDULE  
TO  
TRANSFER OF CHARGE**

**Additional Transferee(s):**

Transferee (s):	Capacity	Share
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109285 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$25,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #91886 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$40,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #107975 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$107,200.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #107977 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$74,600.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108641 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$65,500.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108639 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6		As to \$92,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109552 2200, 125 – 9TH Ave. S. E. Calgary, Alberta		As to \$31,700.00 interest

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$55,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109679  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$232,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108222  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109683  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$65,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107912  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$108,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109554  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$101,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108637  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$100,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109294  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$61,800.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109289  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta



---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$13,700.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #106688  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$11,300.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #106033  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$38,200.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109298  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$24,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109284  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$40,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109537  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$42,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109536  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$161,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109541  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$140,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109291  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$22,200.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #110690  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$46,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #110265  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109685  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$186,800.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108634  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$151,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #106039  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$81,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107972  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$44,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109277  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$235,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109296  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107913  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$98,300.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107924  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$50,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108643  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$24,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109440  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$24,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109442  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$61,600.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107978  
2200, 125 - 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$61,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109550  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$56,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109551  
2200, 125 - 9TH Ave. S. E.  
Calgary, Alberta

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$35,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109901  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$24,700.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109286  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$55,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109538  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$52,900.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108316  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$50,300.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108318  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$24,500.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #109288  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$39,800.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #107925  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$28,000.00  
interest  
Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #80550  
2200, 125 – 9TH Ave. S. E.  
Calgary, Alberta

T2G 0P6		
Name:	OLYMPIA TRUST COMPANY	As to \$22,400.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109444 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$211,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109495 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$24,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110074 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$44,800.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109496 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$28,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #107581 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$74,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109903 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$66,800.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #107970 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108972 2200, 125 – 9TH Ave. S. E. Calgary, Alberta	

T2G 0P6		
Name:	OLYMPIA TRUST COMPANY	As to \$156,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109681 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$114,300.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110835 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$131,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110759 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$121,300.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110834 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$30,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109688 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,500.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #106535 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	
Name:	OLYMPIA TRUST COMPANY	As to \$25,000.00 interest
Address for Service:	OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108635 2200, 125 – 9TH Ave. S. E. Calgary, Alberta T2G 0P6	

Statements: The Chargee transfers the selected Charge for \$4,259,700.00.

**Properties**

*PIN* 07074 - 0033 LT  
*Description* PT LT 6 , PL 125 , AS IN 641723 ; BURLINGTON  
*Address* 2168 GHENT AV  
 BURLINGTON

*PIN* 07074 - 0034 LT  
*Description* PT LT 6 , PL 125 , AS IN 205910 ; BURLINGTON  
*Address* 2174 GHENT AV  
 BURLINGTON

**Source Instruments**

Registration No.	Date	Type of Instrument
HR1100779	2013 05 17	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* Tier 1 Transaction Advisory Services  
 Inc.  
 250 Consumers Road  
 Suite 501  
 Toronto, Ontario  
 M2J 4V6

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

**Transferee(s)**

Name	Capacity	Share
<i>Name</i> OLYMPIA TRUST COMPANY		As to \$4,731,800.00 Interest
<i>Address for Service</i> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP - See Schedule Attached 2200, 125 9th Ave. S. E. Calgary, Alberta T2G 0P6		
<i>Name</i> 2223947 ONTARIO LIMITED		As to \$768,200.00 Interest
<i>Address for Service</i> Tier 1 Transaction Advisory Services Inc. 250 Consumers Road Suite 501 Toronto, Ontario M2J 4V6		

**Statements**

The chargee transfers the selected charge for \$472,100.00  
 Schedule: See Schedules  
 This document relates to registration no.(s)HR1100779 and HR1100786

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2013 05 30  
 Mississauga Transferor(s)  
 L4W 4Y6

Tel 9056297800  
 Fax 9056294350

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

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2013 05 30  
Mississauga Transferee(s)  
L4W 4Y6

Tei 9056297800

Fax 9056294350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2013 05 30  
Mississauga  
L4W 4Y6

Tei 9056297800

Fax 9056294350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12515



**SCHEDULE  
TO  
TRANSFER OF CHARGE**

**Additional Transferee(s):**

Transferee (s):	Capacity	Share
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109281 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$80,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109762 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$45,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #110686 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$25,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #108644 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$37,500.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #111250 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$76,500.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #111206 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta T2G 0P6		As to \$107,000.00 interest
<b>Name:</b> OLYMPIA TRUST COMPANY  <b>Address for Service:</b> OLYMPIA TRUST COMPANY IN TRUST FOR RRSP #109280 2200, 125 – 9 <sup>TH</sup> Ave. S. E. Calgary, Alberta		As to \$20,000.00 interest

---

T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,000.00  
interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108827  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$25,700.00  
interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108315  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Name: OLYMPIA TRUST COMPANY As to \$30,400.00  
interest

Address for Service: OLYMPIA TRUST COMPANY  
IN TRUST FOR RRSP #108317  
2200, 125 – 9<sup>TH</sup> Ave. S. E.  
Calgary, Alberta  
T2G 0P6

---

Statements: The Chargee transfers the selected Charge for \$472,100.00.

**Properties**

*PIN* 07074 - 0452 LT  
*Description* PT LT 6 , PL 125 , AS IN 641723 & PT LT 6 , PL 125 , AS IN 205910; CITY OF BURLINGTON  
*Address* 2168, 2174 GHENT AVENUE  
 BURLINGTON

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
HR1100779	2013 05 17	Charge/Mortgage
HR1100786	2013 05 17	Transfer Of Charge
HR1103691	2013 05 30	Transfer Of Charge

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* OLYMPIA TRUST COMPANY  
*Address for Service* OLYMPIA TRUST COMPANY  
 IN TRUST FOR RRSP # 109277  
 2200, 125 9TH Ave. S. E.  
 Calgary, Alberta  
 T2G 0P6

I, Jessica Barker, Administrator & Anna Le, Supervisor, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Transferee(s)****Capacity****Share**

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
OLYMPIA TRUST COMPANY		As to \$44,500.00 interest

*Address for Service* OLYMPIA TRUST COMPANY  
 IN TRUST FOR RRSP #127140  
 2200, 125 9TH Ave. S. E.  
 Calgary, Alberta  
 T2G 0P6

**Statements**

The chargee transfers the selected charge for \$44,500.00.  
 This document relates to registration no.(s)HR1100779, HR1100786, HR1103691

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 10 28  
 Mississauga Transferor(s)  
 L4W 4Y6

Tel 905-629-7800  
 Fax 905-629-4350

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

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2014 10 28  
 Mississauga Transferee(s)  
 L4W 4Y6

Tel 905-629-7800  
 Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2014 10 28  
 Mississauga  
 L4W 4Y6

**Submitted By**

Tel 905-629-7800  
Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

**File Number**

Transferor Client File Number : 12515

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

**Properties**

**PIN** 07074 - 0452 LT  
**Description** PT LT 6 , PL 125 , AS IN 641723 & PT LT 6 , PL 125 , AS IN 205910; CITY OF BURLINGTON  
**Address** 2170 GHENT AVENUE  
 BURLINGTON

**Consideration**

**Consideration** \$0.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

**Name** 1703858 ONTARIO LTD.  
**Address for Service** c/o 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Party To(s)***Capacity**Share*

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** c/o Tier 1 Transaction Advisory Services Inc.  
 3100 Steeles Avenue East  
 Suite 902  
 Markham, Ontario L3R 8T3

I, Raj Singh, A.S.O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Name** OLYMPIA TRUST COMPANY  
**Address for Service** Suite 2200, 125 9th Ave SE, Calgary Alberta, T2G 0P6

I, Vibha Bhagat, Supervisor & Ana Le, Supervisor, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, HR1100779 registered on 2013/05/17 to which this notice relates is deleted

Schedule: Notice Amending the Charge registered as Instrument No. HR1100779 on May 17, 2013 by increasing the principal amount from \$5,500,000.00 to \$8,265,000.00, all other terms and conditions to remain the same.

This document relates to registration no.(s)HR110079, HR1100786, HR1103691

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 05 20  
 Mississauga Applicant(s)  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2015 05 22  
 Mississauga  
 L4W 4Y6

**Submitted By**

Tel 905-629-7800  
Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

**File Number**

Applicant Client File Number : 12515

**Properties**

*PIN* 07074 - 0452 LT  
*Description* PT LT 6 , PL 125 , AS IN 641723 & PT LT 6 , PL 125 , AS IN 205910; CITY OF BURLINGTON  
*Address* 2170 GHENT AVENUE  
 BURLINGTON

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
HR1100779	2013 05 17	Charge/Mortgage
HR1223442	2014 10 28	Transfer Of Charge

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

*Name* 2223947 ONTARIO LIMITED  
*Address for Service* 3100 Steeles Avenue East, Suite 902  
 Markham, Ont  
 L3R 8T3

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

**Transferee(s)**

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
2223947 ONTARIO LIMITED		As to \$1,473,100.00 interest
3100 Steeles Avenue East, Suite 902 Markham, Ont L3R 8T3		
OLYMPIA TRUST COMPANY		As to \$6,789,500.00 interest
OLYMPIA TRUST COMPANY IN TRUST FOR RRSP # - See Schedule Attached 2200, 125 9TH Ave. S. E. Calgary, Alberta T2G 0P6		

**Statements**

The chargee transfers the selected charge for \$2,057,700.00 (less \$2,400 unadvanced)

Schedule: See Schedules

This document relates to registration no.(s)HR1100779, HR1100786, HR1103691, HR1223442, HR1267660

**Signed By**

Maria Da Silva	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferor(s)	First Signed	2015 05 22
Tel 905-629-7800 Fax 905-629-4350				
Maria Da Silva	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferor(s)	Last Signed	2015 07 09
Tel 905-629-7800 Fax 905-629-4350				
I have the authority to sign and register the document on behalf of all parties to the document.				
Maria Da Silva	2355 Skymark Ave, Ste 300 Mississauga L4W 4Y6	acting for Transferee(s)	First Signed	2015 05 22

**Signed By**

Tel 905-629-7800

Fax 905-629-4350

Maria Da Silva

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

acting for  
Transferee(s)

Last Signed 2015 07 09

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP

2355 Skymark Ave, Ste 300  
Mississauga  
L4W 4Y6

2015 07 09

Tel 905-629-7800

Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee \$60.00

Total Paid \$60.00

**File Number**

Transferor Client File Number : 12515



**Properties**

**PIN** 07074 - 0452 LT  
**Description** PT LT 6, PL 125, AS IN 641723 & PT LT 6, PL 125, AS IN 205910; CITY OF BURLINGTON  
**Address** 2170 GHENT AVENUE  
 BURLINGTON

**Consideration**

**Consideration** \$0.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

**Name** 1703858 ONTARIO LTD.  
**Address for Service** c/o 2355 Skymark Avenue  
 Suite 300  
 Mississauga, Ontario  
 L4W 4Y6

I, John Davies, A. S. O., have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Party To(s)****Capacity****Share**

**Name** 2223947 ONTARIO LIMITED  
**Address for Service** c/o Tier 1 Transaction Advisory Services Inc.  
 3100 Steeles Avenue East  
 Suite 902  
 Markham, Ontario  
 L3R 8T3

I, Raj Singh, A. S. O., have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

**Name** OLYMPIA TRUST COMPANY  
**Address for Service** Suite 2200, 125 9th Ave SE, Calgary, Alberta T2G 0P6

I, Vibha Bhagat, Supervisor & Johnny Luong, Team Lead, have the authority to bind the corporation  
 This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, HR110079 to which this notice relates is deleted  
 Schedule: Notice to amend the Charge registered as Instrument No. HR1100779 on May 17, 2013, by decreasing the mortgage amount from \$8,265,000.00 to \$8,262,600.00 to reflect the actual amount advanced, more particularly set out in Transfer of Charge registered as Instrument No. HR1267674.

This document relates to registration no.(s)HR110079, HR1100786, HR1103691, HR1223442, HR1267660, HR1267674

**Signed By**

Maria Da Silva 2355 Skymark Ave, Ste 300 acting for Signed 2015 07 09  
 Mississauga Applicant(s)  
 L4W 4Y6

Tel 905-629-7800

Fax 905-629-4350

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

**Submitted By**

HARRIS + HARRIS LLP 2355 Skymark Ave, Ste 300 2015 07 09  
 Mississauga  
 L4W 4Y6

**Submitted By**

Tel 905-629-7800  
Fax 905-629-4350

**Fees/Taxes/Payment**

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

**File Number**

Applicant Client File Number : 12515

**TAB 28**

NOTICE OF SALE UNDER MORTGAGE

TO: (SEE SCHEDULE "A")

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage signed February 17, 2015 made between

MEMORY CARE INVESTMENTS (KITCHENER) LTD.

- and - as Mortgagor,

2174217 ONTARIO INC.

as Mortgagee,

- and -

JOHN EVAN DAVIES

as Guarantor,

upon the following property, namely:

LT 6 PL 655 KITCHENER; KITCHENER

PIN No. 22507-0109 (LT)

which Charge/Mortgage was registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on February 17, 2015 as Instrument No. WR867451.

AND we hereby give you notice that the amount now due on the mortgage for principal money, interest, previously incurred legal fees and costs, respectively, are as follows:

for principal .....	\$950,000.00
for interest .....	\$35,036.20
for three (3) months interest pursuant to Section 17 of the Mortgages Act .....	\$47,499.99
for previously incurred legal fees .....	\$16,063.15
for costs (inclusive of HST) .....	\$6,237.60
	<u>\$1,054,836.94</u>

(such amount for costs being up to and including service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 20.00% per annum, on the principal and interest hereinbefore mentioned, from December 22, 2016 to the date of payment.

AND unless the said sums are paid on or before February 1, 2017, we shall sell the property covered by the said mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED at TORONTO the 22nd DAY OF December, 2016.

2174217 ONTARIO INC., by its solicitors,  
MINDEN GROSS LLP

Per: \_\_\_\_\_  
Ronald J. Molson  
145 King Street West, Suite 2200  
Toronto, Ontario M5H 4G2  
Tel: 416-369-4114

File No: 4102681  
#2679687 v1 | 4102681

## SCHEDULE "A"

Memory Care Investments (Kitchener) Ltd.  
169 Borden Avenue North  
Kitchener, Ontario N2H 3J5

Memory Care Investments (Kitchener) Ltd.  
51-A Caldari Road  
Suite 1-M  
Vaughan, ON L4K 4G3

Memory Care Investments (Kitchener) Ltd.  
24 Country Club Drive  
King City, ON L7B 1M5

Memory Care Investments (Kitchener) Ltd.  
2355 Skymark Avenue  
Suite 300  
Mississauga, ON L4W 4Y6

Memory Care Investments (Kitchener) Ltd.  
c/o Bernard Erwin Gropper  
261 Davenport Road  
Suite 300  
Toronto, ON M5R 1K3

Memory Care Investments (Kitchener) Ltd.  
c/o WeirFoulds LLP  
Attention: Edmond Lamek  
4100-66 Wellington Street West  
P.O. Box 35, TD Bank Tower  
Toronto, ON M5K 1B7

Memory Care Investments (Kitchener) Ltd.  
c/o Harris + Harris LLP  
Attention: Maria Da Silva  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

John Evans Davies  
169 Borden Avenue North  
Kitchener, Ontario N2H 3J5

John Evans Davies  
51-A Caldari Road  
Suite 1-M  
Vaughan, ON L4K 4G3

John Evan Davies  
24 Country Club Drive  
King City, ON L7B 1M5

John Evan Davies  
2355 Skymark Avenue  
Suite 300  
Mississauga, ON L4W 4Y6

John Evan Davies  
c/o Bernard Erwin Gropper  
261 Davenport Road  
Suite 300  
Toronto, ON M5R 1K3

John Evan Davies  
c/o WeirFoulds LLP  
Attention: Edmond Lamek  
4100-66 Wellington Street West  
P.O. Box 35, TD Bank Tower  
Toronto, ON M5K 1B7

John Evan Davies  
c/o Harris + Harris LLP  
Attention: Maria Da Silva  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

MC Trustee (Kitchener) Ltd.  
c/o Tier 1 Transaction Advisory Services Inc.  
3655 Kingston Road  
Toronto, ON M1M 1S2

MC Trustee (Kitchener) Ltd.  
c/o Bernard Erwin Gropper  
261 Davenport Road  
Suite 300  
Toronto, ON M5R 1K3

MC Trustee (Kitchener) Ltd.  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario L4W 4Y6

MC Trustee (Kitchener) Ltd.  
c/o Harris + Harris LLP  
Attention: Maria Da Silva  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

MC Trustee (Kitchener) Ltd.  
c/o Harris + Harris LLP  
Attention: Gregory Harrington Harris  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

Olympia Trust Company  
2200, 125-9<sup>th</sup> Avenue SE  
Calgary, AB T2P 0P6

Olympia Trust Company  
c/o Bernard Erwin Gropper  
261 Davenport Road  
Suite 300  
Toronto, ON M5R 1K3

Olympia Trust Company  
c/o Harris + Harris LLP  
Attention: Maria Da Silva  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

Olympia Trust Company  
c/o Harris + Harris LLP  
Attention: Gregory Harrington Harris  
2355 Skymark Avenue, Ste 300  
Mississauga, ON L4W 4Y6

Olympia Trust Company in trust for RRSP #111210  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #110833  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119757  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Schedule A – Page 3

Olympia Trust Company in trust for RRSP #119754  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115786  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120334  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119666  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #114083  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120667  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120275  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120274  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #109772  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118464  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #117536  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120555  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118993  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119859  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #110694  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118463  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #114364  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #113009  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120748  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120840  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120333  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #110467  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119271  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118631  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118403  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119189  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116907  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116908  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115475  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #119792  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #114112  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120256  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #117718  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115869  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6



Olympia Trust Company in trust for RRSP #118089  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118740  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116458  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116607  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120276  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118090  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118091  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120255  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118232  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115010  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #108827  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #117747  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #117644  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118396  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #118224  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #108314  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115746  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116684  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116683  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #108839  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116442  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #116448  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120838  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120277  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120252  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120760  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120359  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120746  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #121908  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120821  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #121916  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #121911  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120914  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120566  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120387  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120623  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #117645  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120916  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #121383  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120553  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120918  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #122601  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120563  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120174  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120170  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #120917  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131043  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131042  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131460  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #103942  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #110728  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132216  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131649  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #130677  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #106461  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #130969  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #130968  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #130970  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #17643  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131185  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131655  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133620  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132585  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133057  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #122071  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #107346  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133399  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #124805  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #125989  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132518  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132174  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132971  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132938  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131962  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131440  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #130966  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #113916  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132806  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #108971  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #132175  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133827  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #107915  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133010  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133009  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #115611  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131956  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133058  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #131111  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133047  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #133056  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Olympia Trust Company in trust for RRSP #146805  
2200, 125-9<sup>th</sup> Avenue S.E.  
Calgary, Alberta T2G 0P6

Grant Thornton Limited  
Attention: Jon Krieger  
200 King Street West  
11<sup>th</sup> Floor, Box 11  
Toronto, ON M5H 3T4

Grant Thornton Limited  
c/o Aird & Berlis LLP  
Attention: Randy Todd Hooke  
181 Bay Street  
Suite 1800, Box 754  
Toronto, ON M5J 2T9

**RECEIVED**  
DEC 23 2016





**NOTICE OF SALE UNDER CHARGE / MORTGAGE**

**RECEIVED**  
MAR 27 2017

TO: *See Schedule "A"*

**TAKE NOTICE THAT** default has been made in payment of the monies due under a certain Charge / Mortgage registered the **8th day of July, 2016**, made between:

**MEMORY CARE INVESTMENTS (OAKVILLE) LTD.**

as Chargor

and

**2174217 ONTARIO INC.**

as Chargee

and

**JOHN EVAN DAVIES**

as Guarantor

upon the following property, namely:

FIRSTLY: PT LOT 17 CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET AS IN 333503 EXCEPT THE EASEMENT THEREIN, S/T TW22975; SECONDLY PT LT 17 CON 3 TRAFALGAR, SOUTH OF DUNDAS STREET DES AS PTS 2,3 PL 20R6837, S/T TW22975, TW23033, TOWN OF OAKVILLE

Land Registry Office No. 20

being: PIN: 24821-0207 (LT)

which Charge / Mortgage was registered on the 8th day of July, 2016 in Land Registry Office No. 20 as Instrument Number **HR1372638**.

**AND YOU ARE HEREBY GIVEN NOTICE THAT** the amount now due on the CHARGE / MORTGAGE for principal money, interest, insurance premiums, taxes and costs, respectively, are as follows:

(a) for principal as of February 6th, 2017	\$ 1,250,000.00
(b) for interest from January 6th to February 6th, 2017:	\$ 12,500.00
(b) for interest from February 6th, 2017 to March 6, 2017:	\$ 12,500.00
(c) for interest from March 6th, 2017 to March 23rd, 2017:	\$ 7,269.37
(d) 3 months' interest pursuant to S. 17 Mortgages Act:	\$ 37,500.00
(e) for insurance premiums	
(d) for taxes	
(g) for costs including HST:	\$ <u>1,000.00</u>

**TOTAL:** \$ 1,320,769.37

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12.00 per cent per annum calculated monthly and not in advance on the principal and interest hereinbefore mentioned from March 23rd, 2017 to the date of payment.

**AND** unless the said sums are paid on or before April 30th, 2017, the Mortgagee shall sell the property covered by the said mortgage under the provisions contained in it.

**THIS** notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

Dated at Toronto, this 23rd day of March, 2017

**2174217 Ontario inc.**  
by its solicitor,



---

SUSAN J. SCHELL

## SCHEDULE "A"

Memory Care Investments (Oakville) Ltd.  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario L4W 4Y6

Memory Care Investments (Oakville) Ltd.  
51A Caldari Road, Suite 1-M,  
Vaughan, Ontario L4K 4G3

2223947 Ontario Ltd.  
c/o Tier 1 Transaction Advisory Services Inc.  
3100 Steeles Avenue East, Suite 902,  
Markham, Ontario L3R 8T3

2223947 Ontario Ltd.  
7 Bowam Court,  
Toronto, Ontario M2K 3A8

Olympia Trust Company  
125 9th Avenue S.W., Suite 2300  
Calgary, Alberta T2G 0P6

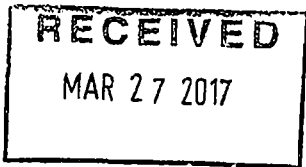
Olympia Trust Company  
120 Adelaide Street West, Suite 920  
Toronto, Ontario M5H 1T1

John Evan Davies  
24 Country Club Drive,  
King City, Ontario L7B 1M5

Grant Thornton Limited  
200 King Street West, 11th Floor, Box 11  
Toronto, Ontario M5H 3T4



**NOTICE OF SALE UNDER CHARGE / MORTGAGE**



TO: *See Schedule "A"*

**TAKE NOTICE THAT** default has been made in payment of the monies due under a certain Charge / Mortgage registered the **8th day of July, 2016**, made between:

**1703858 ONTARIO LTD.**

as Chargor

and

**2174217 ONTARIO INC.**

as Chargee

and

**JOHN EVAN DAVIES**

as Guarantor

upon the following property, namely:

Pt. Lot 6, Plan 125, as in 641723 and Pt Lot 6, Plan 125, as in 205910  
City of Burlington

Land Registry Office No. 20

being: PIN: 07074-0452 (LT)

which Charge / Mortgage was registered on the 8th day of July, 2016 in Land Registry Office No. 20 as Instrument Number **HR1372645**

**AND YOU ARE HEREBY GIVEN NOTICE THAT** the amount now due on the CHARGE / MORTGAGE for principal money, interest, insurance premiums, taxes and costs, respectively, are as follows:

- |  |                    |
|--|--------------------|
| (a) for principal as of February 6th, 2017                 | \$ 1,250,000.00    |
| (b) for interest from January 6th to February 6th, 2017:   | \$ 12,500.00       |
| (b) for interest from February 6th, 2017 to March 6, 2017: | \$ 12,500.00       |
| (c) for interest from March 6th, 2017 to March 23rd, 2017: | \$ 7,269.37        |
| (d) 3 months' interest pursuant to S. 17 Mortgages Act:    | \$ 37,500.00       |
| (e) for insurance premiums                                 |                    |
| (d) for taxes  |                    |
| (g) for costs including HST:                               | \$ <u>1,000.00</u> |

**TOTAL:** \$ 1,320,769.37

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12.00 per cent per annum calculated monthly and not in advance on the principal and interest hereinbefore mentioned from March 23rd, 2017 to the date of payment.

**AND** unless the said sums are paid on or before April 30th, 2017, the Mortgagee shall sell the property covered by the said mortgage under the provisions contained in it.

**THIS** notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

Dated at Toronto, this 23rd day of March, 2017

**2174217 Ontario inc.**  
by its solicitor,

  
\_\_\_\_\_  
**SUSAN J. SCHELL**

**SCHEDULE "A"**

1703858 Ontario Ltd.  
2355 Skymark Avenue, Suite 300  
Mississauga, Ontario L4W 4Y6

1703858 Ontario Ltd.  
51A Caldari Road, Suite 1-M,  
Vaughan, Ontario L4K 4G3

1703858 Ontario Ltd.  
24 Country Club Drive,  
King City, Ontario L7B 1M5

2223947 Ontario Ltd.  
c/o Tier 1 Transaction Advisory Services Inc.  
3100 Steeles Avenue East, Suite 902,  
Markham, Ontario L3R 8T3

2223947 Ontario Ltd.  
7 Bowam Court,  
Toronto, Ontario M2K 3A8

Olympia Trust Company  
125 9th Avenue S.W., Suite 2300  
Calgary, Alberta T2G 0P6

Olympia Trust Company  
120 Adelaide Street West, Suite 920  
Toronto, Ontario M5H 1T1

Varcon Construction Corporation  
8211 Mayfield Road,  
Brampton, Ontario L6H 0P5

Varcon Construction Corporation  
250 Doney Cescent,  
Concord, Ontario L4K 1P6

Limen Group Const. Ltd.  
c/o Goldman Sloan Nash & Haber LLP  
1600-480 University Avenue,  
Toronto, Ontario M5G 1V2

John Evan Davies  
24 Country Club Drive,  
King City, Ontario L7B 1M5

Grant Thornton Limited  
200 King Street West, 11th Floor, Box 11  
Toronto, Ontario M5H 3T4

**TAB 29**



Request ID: 020117155  
Transaction ID: 64094088  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:54:13  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>	<b>Incorporation Date</b>
2343407	LEGACY LANE INVESTMENTS LTD.	2012/09/21
		<b>Jurisdiction</b>
		ONTARIO
<b>Corporation Type</b>	<b>Corporation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>		<b>Date Amalgamated</b>
2355 SKYMARK AVENUE		NOT APPLICABLE
<b>Suite # 300</b>		<b>New Amal. Number</b>
MISSISSAUGA		NOT APPLICABLE
ONTARIO		<b>Notice Date</b>
CANADA L4W 4Y6		NOT APPLICABLE
<b>Mailing Address</b>		<b>Letter Date</b>
24 COUNTRY CLUB DRIVE		NOT APPLICABLE
KING CITY		<b>Revival Date</b>
ONTARIO		NOT APPLICABLE
CANADA L7B 1M5		<b>Continuation Date</b>
		NOT APPLICABLE
		<b>Transferred Out Date</b>
		NOT APPLICABLE
		<b>Cancel/Inactive Date</b>
		NOT APPLICABLE
		<b>EP Licence Eff.Date</b>
		NOT APPLICABLE
		<b>EP Licence Term.Date</b>
		NOT APPLICABLE
	<b>Number of Directors</b>	<b>Date Commenced</b>
	<b>Minimum</b>	<b>in Ontario</b>
	00001	NOT APPLICABLE
	<b>Maximum</b>	<b>Date Ceased</b>
	00015	<b>in Ontario</b>
		NOT APPLICABLE
<b>Activity Classification</b>		
NOT AVAILABLE		

Request ID: 020117155  
Transaction ID: 64094088  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:54:13  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2343407

**Corporation Name**

LEGACY LANE INVESTMENTS LTD.

**Corporate Name History**

LEGACY LANE INVESTMENTS LTD.

**Effective Date**

2012/09/21

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2012/09/21

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020117155  
Transaction ID: 64094088  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:54:13  
Page: 3

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2343407

**Corporation Name**

LEGACY LANE INVESTMENTS LTD.

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2012/09/21

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

SECRETARY

**Resident Canadian**

Y

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2012/09/21

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

Y

Request ID: 020117155  
Transaction ID: 64094088  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:54:13  
Page: 4

## CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2343407

LEGACY LANE INVESTMENTS LTD.

Last Document Recorded

Act/Code Description

Form

Date

CIA CHANGE NOTICE

1

2015/09/17 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>	<b>Incorporation Date</b>
2484767	TEXTBOOK (525 PRINCESS STREET) INC.	2015/09/28
		<b>Jurisdiction</b>
		ONTARIO
<b>Corporation Type</b>	<b>Corporation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>		<b>Date Amalgamated</b>
2355 SKYMARK AVENUE		NOT APPLICABLE
<b>Suite # 300</b>		<b>New Amal. Number</b>
MISSISSAUGA		NOT APPLICABLE
ONTARIO		<b>Notice Date</b>
CANADA L4W 4Y6		NOT APPLICABLE
<b>Mailing Address</b>		<b>Letter Date</b>
51 CALDARI ROAD		NOT APPLICABLE
#A1M		<b>Revival Date</b>
CONCORD		NOT APPLICABLE
ONTARIO		<b>Continuation Date</b>
CANADA L4K 4G3		NOT APPLICABLE
		<b>Transferred Out Date</b>
		NOT APPLICABLE
		<b>Cancel/Inactive Date</b>
		NOT APPLICABLE
		<b>EP Licence Eff.Date</b>
		NOT APPLICABLE
		<b>EP Licence Term.Date</b>
		NOT APPLICABLE
		<b>Date Commenced in Ontario</b>
		NOT APPLICABLE
		<b>Date Ceased in Ontario</b>
		NOT APPLICABLE
<b>Activity Classification</b>	<b>Number of Directors</b>	
NOT AVAILABLE	<b>Minimum</b>	
	<b>Maximum</b>	
	00001	
	00015	
		<b>Date Commenced in Ontario</b>
		NOT APPLICABLE
		<b>Date Ceased in Ontario</b>
		NOT APPLICABLE

Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2484767

**Corporation Name**

TEXTBOOK (525 PRINCESS STREET) INC.

**Corporate Name History**

TEXTBOOK (525 PRINCESS STREET) INC.

**Effective Date**

2015/09/28

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:**

**Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/09/28

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 3

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2484767	TEXTBOOK (525 PRINCESS STREET) INC.

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
JOHN DAVIES	24 COUNTRY CLUB DRIVE  KING CITY ONTARIO CANADA L7B 1M5

<b>Date Began</b>	<b>First Director</b>	<b>Resident Canadian</b>
2015/09/28	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	
OFFICER	OTHER	

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
JOHN DAVIES	24 COUNTRY CLUB DRIVE  KING CITY ONTARIO CANADA L7B 1M5

<b>Date Began</b>	<b>First Director</b>	<b>Resident Canadian</b>
2015/09/28	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	
OFFICER	SECRETARY	



Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 4

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2484767

**Corporation Name**

TEXTBOOK (525 PRINCESS STREET) INC.

**Administrator:**

**Name (Individual / Corporation)**

WALTER

THOMPSON

**Address**

1248 ATKINS DRIVE

NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/09/28

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

**Administrator:**

**Name (Individual / Corporation)**

WALTER

THOMPSON

**Address**

1248 ATKINS DRIVE

NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/09/28

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**

Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 5

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2484767

**Corporation Name**

TEXTBOOK (525 PRINCESS STREET) INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/09/28

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

Request ID: 020117150  
Transaction ID: 64094075  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:25  
Page: 6

## CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2484767

TEXTBOOK (525 PRINCESS STREET) INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA INITIAL RETURN

1

2015/11/12 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

PLEASE NOTE THAT WHEN THE SAME INDIVIDUAL HOLDS MULTIPLE 'OTHER UNTITLED' OFFICER POSITIONS, AS INDICATED ON A FORM 1 UNDER THE *CORPORATIONS INFORMATION ACT*, ONLY ONE OF THESE 'OTHER UNTITLED' POSITIONS HELD BY THAT INDIVIDUAL WILL BE REFLECTED ON THIS REPORT.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 1

## CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2479030	TEXTBOOK (555 PRINCESS STREET) INC.	2015/08/14
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
2355 SKYMARK AVENUE	NOT APPLICABLE	NOT APPLICABLE
Suite # 300 MISSISSAUGA ONTARIO CANADA L4W 4Y6	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address	Letter Date	
51 CALDARI ROAD #A1M	NOT APPLICABLE	
CONCORD ONTARIO CANADA L4K 4G3	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors Minimum      Maximum	Date Ceased in Ontario
	00001      00015	NOT APPLICABLE
Activity Classification	Date Commenced in Ontario	Date Ceased in Ontario
NOT AVAILABLE	NOT APPLICABLE	NOT APPLICABLE

Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2479030

**Corporation Name**

TEXTBOOK (555 PRINCESS STREET) INC.

**Corporate Name History**

TEXTBOOK (555 PRINCESS STREET) INC.

**Effective Date**

2015/08/14

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**

Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 3

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2479030

**Corporation Name**

TEXTBOOK (555 PRINCESS STREET) INC.

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

SECRETARY

**Resident Canadian**

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 4

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2479030

**Corporation Name**

TEXTBOOK (555 PRINCESS STREET) INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**



Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 5

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2479030

**Corporation Name**

TEXTBOOK (555 PRINCESS STREET) INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/08/14

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020117152  
Transaction ID: 64094081  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:54  
Page: 6

## CORPORATION PROFILE REPORT

Ontario Corp Number

2479030

Corporation Name

TEXTBOOK (555 PRINCESS STREET) INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA INITIAL RETURN

1

2015/08/18 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

PLEASE NOTE THAT WHEN THE SAME INDIVIDUAL HOLDS MULTIPLE 'OTHER UNTITLED' OFFICER POSITIONS, AS INDICATED ON A FORM 1 UNDER THE *CORPORATIONS INFORMATION ACT*, ONLY ONE OF THESE 'OTHER UNTITLED' POSITIONS HELD BY THAT INDIVIDUAL WILL BE REFLECTED ON THIS REPORT.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>	<b>Incorporation Date</b>
2462423	TEXTBOOK ROSS PARK INC.	2015/04/16
		<b>Jurisdiction</b>
		ONTARIO
<b>Corporation Type</b>	<b>Corporation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>		<b>Date Amalgamated</b>
2355 SKYMARK AVENUE		NOT APPLICABLE
<b>Suite # 300</b>		<b>New Amal. Number</b>
MISSISSAUGA		NOT APPLICABLE
ONTARIO		<b>Notice Date</b>
CANADA L4W 4Y6		NOT APPLICABLE
<b>Mailing Address</b>		<b>Letter Date</b>
51 CALDARI ROAD		NOT APPLICABLE
#A1M		<b>Revival Date</b>
CONCORD		NOT APPLICABLE
ONTARIO		<b>Continuation Date</b>
CANADA L4K 4G3		NOT APPLICABLE
		<b>Transferred Out Date</b>
		NOT APPLICABLE
		<b>Cancel/Inactive Date</b>
		NOT APPLICABLE
		<b>EP Licence Eff.Date</b>
		NOT APPLICABLE
		<b>EP Licence Term.Date</b>
		NOT APPLICABLE
		<b>Date Commenced in Ontario</b>
		NOT APPLICABLE
		<b>Date Ceased in Ontario</b>
		NOT APPLICABLE
<b>Activity Classification</b>	<b>Number of Directors</b>	
NOT AVAILABLE	<b>Minimum</b>	
	<b>Maximum</b>	
	00001	
	00015	

Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 2

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2462423	TEXTBOOK ROSS PARK INC.

<b>Corporate Name History</b>	<b>Effective Date</b>
TEXTBOOK ROSS PARK INC.	2015/05/13
TEXTBOOK STUDENT SUITES (ROSS PARK) INC.	2015/04/16

<b>Current Business Name(s) Exist:</b>	NO
<b>Expired Business Name(s) Exist:</b>	NO

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
JOHN DAVIES	24 COUNTRY CLUB DRIVE  KING CITY ONTARIO CANADA L7B 1M5

<b>Date Began</b>	<b>First Director</b>	<b>Resident Canadian</b>
2015/04/16	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	
OFFICER	SECRETARY	

Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 3

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2462423	TEXTBOOK ROSS PARK INC.

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
JOHN DAVIES	24 COUNTRY CLUB DRIVE  KING CITY ONTARIO CANADA L7B 1M5

<b>Date Began</b>	<b>First Director</b>	<b>Resident Canadian</b>
2015/04/16	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	<b>Resident Canadian</b>
DIRECTOR		Y

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
JOHN DAVIES	24 COUNTRY CLUB DRIVE  KING CITY ONTARIO CANADA L7B 1M5

<b>Date Began</b>	<b>First Director</b>	<b>Resident Canadian</b>
2015/04/16	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	<b>Resident Canadian</b>
OFFICER	OTHER	

Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 4

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2462423

**Corporation Name**

TEXTBOOK ROSS PARK INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/04/16

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/04/16

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**

Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 5

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2462423

**Corporation Name**

TEXTBOOK ROSS PARK INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/04/16

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y



Request ID: 020117147  
Transaction ID: 64094066  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:52:53  
Page: 6

## CORPORATION PROFILE REPORT

Ontario Corp Number

2462423

Corporation Name

TEXTBOOK ROSS PARK INC.

### Last Document Recorded

Act/Code	Description	Form	Date
CIA	INITIAL RETURN	1	2015/05/15 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

PLEASE NOTE THAT WHEN THE SAME INDIVIDUAL HOLDS MULTIPLE 'OTHER UNTITLED' OFFICER POSITIONS, AS INDICATED ON A FORM 1 UNDER THE *CORPORATIONS INFORMATION ACT*, ONLY ONE OF THESE 'OTHER UNTITLED' POSITIONS HELD BY THAT INDIVIDUAL WILL BE REFLECTED ON THIS REPORT.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>	<b>Incorporation Date</b>
2492831	TEXTBOOK (774 BRONSON AVENUE) INC.	2015/11/24
		<b>Jurisdiction</b>
		ONTARIO
<b>Corporation Type</b>	<b>Corporation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>		<b>Date Amalgamated</b>
2355 SKYMARK AVENUE		NOT APPLICABLE
Suite # 300		<b>New Amal. Number</b>
MISSISSAUGA		NOT APPLICABLE
ONTARIO		<b>Notice Date</b>
CANADA L4W 4Y6		NOT APPLICABLE
<b>Mailing Address</b>		<b>Letter Date</b>
51 CALDARI ROAD		NOT APPLICABLE
#A1M		<b>Revival Date</b>
CONCORD		NOT APPLICABLE
ONTARIO		<b>Continuation Date</b>
CANADA L4K 4G3		NOT APPLICABLE
		<b>Transferred Out Date</b>
		NOT APPLICABLE
		<b>Cancel/Inactive Date</b>
		NOT APPLICABLE
		<b>EP Licence Eff.Date</b>
		NOT APPLICABLE
		<b>EP Licence Term.Date</b>
		NOT APPLICABLE
	<b>Number of Directors</b>	<b>Date Commenced</b>
	<b>Minimum</b>	<b>in Ontario</b>
	00001	NOT APPLICABLE
	<b>Maximum</b>	<b>Date Ceased</b>
	00015	<b>in Ontario</b>
		NOT APPLICABLE
<b>Activity Classification</b>		
NOT AVAILABLE		

Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2492831

**Corporation Name**

TEXTBOOK (774 BRONSON AVENUE) INC.

**Corporate Name History**

TEXTBOOK (774 BRONSON AVENUE) INC.

**Effective Date**

2015/11/24

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:**

**Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 3

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2492831

**Corporation Name**

TEXTBOOK (774 BRONSON AVENUE) INC.

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

SECRETARY

**Resident Canadian**

**Administrator:  
Name (Individual / Corporation)**

JOHN  
DAVIES

**Address**

24 COUNTRY CLUB DRIVE  
  
KING CITY  
ONTARIO  
CANADA L7B 1M5

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**

Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 4

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2492831

**Corporation Name**

TEXTBOOK (774 BRONSON AVENUE) INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

OTHER

**Resident Canadian**

Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 5

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2492831

**Corporation Name**

TEXTBOOK (774 BRONSON AVENUE) INC.

**Administrator:  
Name (Individual / Corporation)**

WALTER  
THOMPSON

**Address**

1248 ATKINS DRIVE  
  
NEWMARKET  
ONTARIO  
CANADA L3X 0C3

**Date Began**

2015/11/24

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

Request ID: 020117149  
Transaction ID: 64094072  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/04/05  
Time Report Produced: 17:53:10  
Page: 6

## CORPORATION PROFILE REPORT

Ontario Corp Number

2492831

Corporation Name

TEXTBOOK (774 BRONSON AVENUE) INC.

### Last Document Recorded

Act/Code	Description	Form	Date
CIA	INITIAL RETURN	1	2016/02/05 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

PLEASE NOTE THAT WHEN THE SAME INDIVIDUAL HOLDS MULTIPLE 'OTHER UNTITLED' OFFICER POSITIONS, AS INDICATED ON A FORM 1 UNDER THE *CORPORATIONS INFORMATION ACT*, ONLY ONE OF THESE 'OTHER UNTITLED' POSITIONS HELD BY THAT INDIVIDUAL WILL BE REFLECTED ON THIS REPORT.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



**TAB 30**

RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161216.77

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

REPORT : PSSR060  
PAGE : 1  
( 4312)

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

TYPE OF SEARCH : BUSINESS DEBTOR

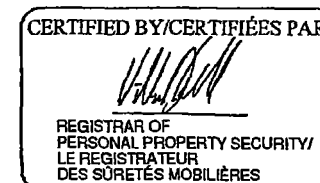
SEARCH CONDUCTED ON : LEGACY LANE INVESTMENTS LTD.

FILE CURRENCY : 27MAR 2017

ENQUIRY NUMBER 20170328161216.77 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crfj3 09/2013)





RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161211.89

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

REPORT : PSSR060  
PAGE : 1  
( 4311)

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

TYPE OF SEARCH : BUSINESS DEBTOR

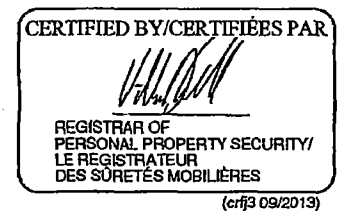
SEARCH CONDUCTED ON : TEXTBOOK (555 PRINCESS STREET) INC.

FILE CURRENCY : 27MAR 2017

ENQUIRY NUMBER 20170328161211.89 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9





RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161207.00

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

REPORT : PSSR060  
PAGE : 1  
( 4310)

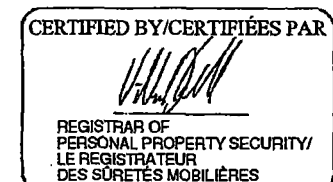
THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR  
  
SEARCH CONDUCTED ON : TEXTBOOK (525 PRINCESS STREET) INC.  
  
FILE CURRENCY : 27MAR 2017

ENQUIRY NUMBER 20170328161207.00 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crfj3 09/2013)





RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161157.07

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

REPORT : PSSR060  
PAGE : 1  
( 4306)

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

TYPE OF SEARCH : BUSINESS DEBTOR

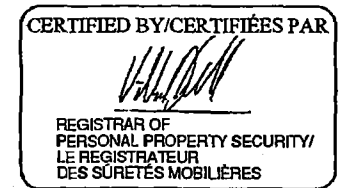
SEARCH CONDUCTED ON : TEXTBOOK (ROSS PARK) INC.

FILE CURRENCY : 27MAR 2017

ENQUIRY NUMBER 20170328161157.07 CONTAINS 3 PAGE(S), 1 FAMILY(IES).

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

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(r/13 09/2013)

CONTINUED...

2





RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161157.07

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

REPORT : PSSR060  
PAGE : 2  
( 4307)

TYPE OF SEARCH BUSINESS DEBTOR  
SEARCH CONDUCTED ON TEXTBOOK (ROSS PARK) INC.  
FILE CURRENCY 27MAR 2017

FORM 16 FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
706989357

00  
01  
CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
PILING NO OF PAGES SCHEDULE NUMBER UNDER PERIOD  
001 1 20150610 1615 1590 7454 P PPSA 10

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME TEXTBOOK ROSS PARK INC.  
04 ADDRESS 2355 SKYMARK AVENUE, 3RD FLOOR MISSISSAUGA ONTARIO CORPORATION NO. L4W 4Y6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME ONTARIO CORPORATION NO.  
07 ADDRESS

08 SECURED PARTY / TRISURA GUARANTEE INSURANCE COMPANY  
09 LIEN CLAIMANT ADDRESS 333 BAY STREET, SUITE 1610 TORONTO ON M5H 2R2

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED  
CODE INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

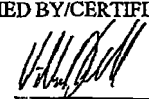
11 MOTOR YEAR MAKE MODEL VIN  
12 VEHICLE

13 GENERAL SECURITY INTEREST IN PURCHASERS' DEPOSIT MONIES PURSUANT TO A DEPOSIT  
14 COLLATERAL TRUST AGREEMENT, RELATING TO THE PROJECT KNOWN AS "ROSS PARK" LOCATED  
15 DESCRIPTION AT 1234-1246 RICHMOND STREET, LONDON, ONTARIO

16 REGISTERING CHAITONS LLP (RAM/CW #57724)  
17 AGENT ADDRESS 5000 YONGE STREET, 10TH FLOOR TORONTO ON M2N 7E9

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

CONTINUED... 3

CERTIFIED BY/CERTIFIÉS PAR  
  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crj1fs 09/2013)



RUN NUMBER : 087  
RUN DATE : 2017/03/28  
ID : 20170328161157.07

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

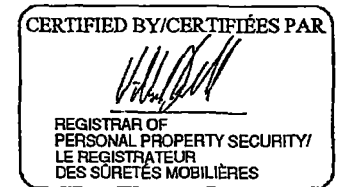
REPORT : PSSR060  
PAGE : 3  
( 4308)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TEXTBOOK (ROSS PARK) INC.  
FILE CURRENCY : 27MAR 2017

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
706989357	20150610	1615	1590	7454

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





RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

REPORT : PSSR060  
PAGE : 1  
( 5551)

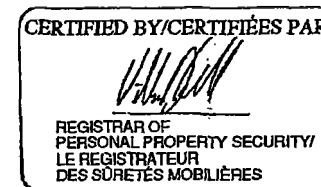
THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TEXTBOOK (774 BRONSON AVENUE) INC.  
FILE CURRENCY : 29MAR 2017

ENQUIRY NUMBER 20170330104725.58 CONTAINS 6 PAGE(S), 2 FAMILY(IES).

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

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crlj3 09/2013)

CONTINUED... 2



RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

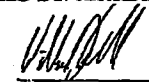
REPORT : PSSR060  
PAGE : 2  
( 5552)

TYPE OF SEARCH BUSINESS DEBTOR  
SEARCH CONDUCTED ON TEXTBOOK (774 BRONSON AVENUE) INC.  
FILE CURRENCY 29MAR 2017

00 FORM TO FINANCING STATEMENT / CLAIM FOR DEB  
01 BILL NUMBER 715176504  
02 PAYMENT PAGE TOTAL MOTOR VEHICLES REGISTRATION REGISTERED REGISTRATION  
FILING NO OF PAGES SCHEDULE NUMBER UNDER PERIOD  
03 001 002 20160330 1541 1862 2888 P PPSA 5  
04 DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
05 DEBTOR NAME BUSINESS NAME TEXTBOOK (774 BRONSON AVENUE) INC.  
06 ADDRESS 51 CALDARI ROAD, SUITE #A1M CONCORD ONTARIO CORPORATION NO. L4K 4G3  
07 DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
08 DEBTOR NAME BUSINESS NAME VECTOR FINANCIAL SERVICES LIMITED  
09 ADDRESS 25 IMPERIAL STREET, SUITE 500 TORONTO ON M5P 1B9  
10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE  
11 YEAR MAKE MODEL  
12 MOTOR VEHICLE  
13 GENERAL PROPERTY USED IN CONNECTION WITH, SITUATE AT, OR ARISING FROM, THE  
14 COLLATERAL OWNERSHIP, DEVELOPMENT, USE OR DISPOSITION OF, THE LAND AND PREMISES  
15 DESCRIPTION KNOWN AS 774 BRONSON AVENUE, OTTAWA, ON AND 557 CAMBRIDGE STREET  
16 REGISTERING AGENT GARFINKLE, BIDERMAN LLP (BP-9279-022)  
17 ADDRESS 1 ADELAIDE ST. E., SUITE 801 TORONTO ON M5C 2V9

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

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR  
  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES  
(c/j1fs 09/2013)



RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

REPORT : PSSR060  
PAGE : 3  
( 5553)

TYPE OF SEARCH: BUSINESS DEBTOR  
SEARCH CONDUCTED ON: TEXTBOOK (774 BRONSON AVENUE) INC.  
EFFECTIVE DATE: 29MAR 2017

FORM TO: FINANCING STATEMENT / CLAIM FOR INTEREST

00 TITLE NUMBER  
715176504

01 COLLATERAL CLASSIFICATION: 002 002 MOTOR VEHICLE REGISTRATION NUMBER: 20160330 1541 1862 2888

02 DEBTOR NAME: DATE OF BIRTH: FIRST GIVEN NAME: INITIAL: SURNAME:

03 BUSINESS NAME: ONTARIO CORPORATION NO:

04 ADDRESS:

05 DEBTOR NAME: DATE OF BIRTH: FIRST GIVEN NAME: INITIAL: SURNAME:

06 BUSINESS NAME: ONTARIO CORPORATION NO:

07 ADDRESS:

08 SECURED PARTY / INTERESTS:

09 ADDRESS:

10 COLLATERAL CLASSIFICATION: CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE AMOUNT DATE OF MATURITY OR MATURITY DATE NO. FIXED

11 MOTOR VEHICLE: YEAR MAKE: MODEL: VIN:

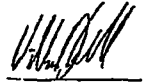
12 GENERAL: SOUTH, OTTAWA, ON.

14 CONTINUED DESCRIPTION:

16 REGISTERING AGENCY: ADDRESS:

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

CONTINUED...

CERTIFIED BY/CERTIFIÉES PAR  
  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(c)1/s 09/2013)



RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

REPORT : PSSR060  
PAGE : 4  
( 5554)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TEXTBOOK (774 BRONSON AVENUE) INC.  
FILE CURRENCY : 29MAR 2017

FORM 11 FINANCIAL STATEMENT / STATEMENT FOR LIEN

00 FILE NUMBER  
715176558

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
PLACING NO. OF PAGES SCHEDULE MEMBER UNDER PERIOD  
001 002 20160330 1542 1862 2889 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEXTBOOK (774 BRONSON AVENUE) INC.

04 ADDRESS 51 CALDARI ROAD, SUITE #A1M CONCORD ONTARIO CORPORATION NO. ON L4K 4G3

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIAISON PARTAIRE VECTOR FINANCIAL SERVICES LIMITED

09 ADDRESS 25 IMPERIAL STREET, SUITE 500 TORONTO ONTARIO M5P 1B9

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

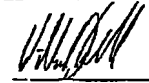
11 MOTOR YEAR MAKE MODEL  
12 VEHICLE

13 GENERAL DESCRIPTION GENERAL ASSIGNMENT OF RENTS - PROPERTY USED IN CONNECTION WITH,  
14 COLLATERAL SITUATE AT, OR ARISING FROM, THE OWNERSHIP, DEVELOPMENT, USE OR  
15 DESCRIPTION DISPOSITION OF, THE LAND AND PREMISES KNOWN AS 774 BRONSON AVENUE,

16 REGISTERING GARFINKLE, BIDERMAN LLP (BP-9279-022)  
17 AGENT ADDRESS 1 ADELAIDE ST. E., SUITE 801 TORONTO ONTARIO M5C 2V9

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

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR  
  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SOCIÉTÉS MOBILIÈRES  
(cjt1s 09/2013)



RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

REPORT : PSSR060  
PAGE : 5  
( 5555)

TYPE OF SEARCH BUSINESS DEBTOR  
SEARCH CONDUCTED ON TEXTBOOK (774 BRONSON AVENUE) INC.  
DATE CURRENCY 29MAR 2017

FORM NO FINANCING STATEMENT / CLAIM FOR CREDIT

FILE NUMBER  
715176558

00

CAUTION BASE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
PRINTING NO OF PAGES SCHEDULE NUMBER UNDER DEBTOR  
002 002 20160330 1542 1862 2889

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR  
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

03

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR  
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

06

07

ADDRESS

08

SECURED PARTY /  
INDEBTOR NAME

ADDRESS

09

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

10

YEAR MAKE MODEL

11

MOTOR  
VEHICLE

12

GENERAL OTTAWA, ON AND 557 CAMBRIDGE STREET SOUTH, OTTAWA, ON.

13

COLLATERAL  
DESCRIPTION

14

15

REGISTERING  
AGENT

16


17

ADDRESS

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

CONTINUED...

6

CERTIFIED BY/CERTIFIÉES PAR  
  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES  
(oj1fs 09/2013)





RUN NUMBER : 089  
RUN DATE : 2017/03/30  
ID : 20170330104725.58

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

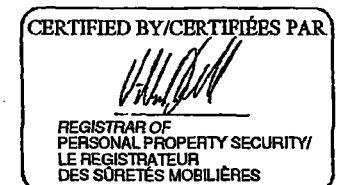
REPORT : PSSR060  
PAGE : 6  
( 5556)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : TEXTBOOK (774 BRONSON AVENUE) INC.  
FILE CURRENCY : 29MAR 2017

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
715176504	20160330 1541 1862 2888			
715176558	20160330 1542 1862 2889			

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



(crj)3 09/2013)



**TAB 31**

**PROPERTY DESCRIPTION:** PT OF BLK 23 PLAN 35M-694 PTS 1, 2, 3, 4, 5, 6, 7, 8 AND 12 35R22739; S/T TO PT 4 - 6 35R22739 EASEMENTS AS IN MT203, MT270; S/T PT 1 - 8 & 12 35R22739 AS IN MT43285; T/W PT 15 35R21206 AS IN MT26274;; TOGETHER WITH AN EASEMENT OVER PT 4, 6 AND 20 ON 35R21206 & PT 10 ON 35R22739 AS IN MT89198; SUBJECT TO AN EASEMENT OVER PT 2, 4, 5, 6 & 8 35R22739 IN FAVOUR OF PT 1-4, 6, 8, 10, 12, 14, 16, 17, 19 & 20 35R21206 EXCEPT PT 1-8 & 12 ON 35R22739 AS IN MT89198; TOWN OF HUNTSVILLE

**PROPERTY REMARKS:** PLANNING ACT CONSENT IN DOCUMENT MT89198.

**ESTATE/QUALIFIER:**  
FEE SIMPLE  
ABSOLUTE

**RECENTLY:**  
DIVISION FROM 48079-0634

**PIN CREATION DATE:**  
2010/11/12

**OWNERS' NAMES**  
LEGACY LANE INVESTMENTS LTD.

**CAPACITY SHARE**

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<b>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2010/11/12 **</b>						
DM70304	1969/06/09	ORDER				C
LT235875	2003/07/21	NOTICE			THE DISTRICT MUNICIPALITY OF MUSKOKA	C
LT235896	2003/07/22	NOTICE			THE CORPORATION OF THE TOWN OF HUNTSVILLE	C
35M694	2003/07/25	PLAN SUBDIVISION				C
MT173	2005/04/21	NOTICE AGREEMENT		MUSKOKA COMMERCE PARK INC.	THE CORPORATION OF THE TOWN OF HUNTSVILLE	C
MT202	2005/04/22	NOTICE AGREEMENT		THE DISTRICT MUNICIPALITY OF MUSKOKA	MUSKOKA COMMERCE PARK INC.	C
CORRECTIONS: 'INSTRUMENT TYPE' CHANGED FROM 'APL (GENERAL)' TO 'NOTICE AGREEMENT' ON 2005/05/18 BY HILDA MACFARLANE.						
MT203	2005/04/22	TRANSFER EASEMENT		MUSKOKA COMMERCE PARK INC.	THE DISTRICT MUNICIPALITY OF MUSKOKA	C
MT26275	2006/11/22	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	CHARTWELL MASTER CARE CORPORATION	
MT26276	2006/11/22	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	CHARTWELL MASTER CARE CORPORATION	
REMARKS: RE MT26275						
MT26277	2006/11/22	NO OPTION PURCHASE		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	CHARTWELL MASTER CARE CORPORATION	
MT26278	2006/11/22	NOTICE	\$2	2097056 ONTARIO INC.		C
MT26279	2006/11/22	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	ROSE FINANCE CORP. 2086996 ONTARIO 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.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
MT28690	2007/01/26	NO SUB AGREEMENT		THE CORPORATION OF THE TOWN OF HUNTSVILLE	2097056 ONTARIO INC.	C
MT33188	2007/05/29	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	HSBC BANK CANADA	
MT33189	2007/05/29	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	HSBC BANK CANADA	
		REMARKS: MT33188				
MT33192	2007/05/29	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** CHARTWELL MASTER CARE CORPORATION	HSBC BANK CANADA	
		REMARKS: MT26275 & MT26276 TO MT33188 & MT33189				
MT33193	2007/05/29	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** ROSE FINANCE CORP. 2086996 ONTARIO INC.	HSBC BANK CANADA	
		REMARKS: MT26279 TO MT33188 & MT33189				
MT33933	2007/06/14	APL (GENERAL)		*** DELETED AGAINST THIS PROPERTY *** CHARTWELL MASTER CARE CORPORATION	HSBC BANK CANADA	
		REMARKS: POSTPONEMENT MT26277 TO MT33188 & MT33189				
MT43285	2007/12/12	TRANSFER EASEMENT	\$2	2097056 ONTARIO INC.	UNION GAS LIMITED	C
MT47964	2008/04/07	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** CHARTWELL MASTER CARE CORPORATION	HYDRO ONE NETWORKS INC.	
		REMARKS: MT26275 TO MT47957				
MT47965	2008/04/07	APL (GENERAL)		*** DELETED AGAINST THIS PROPERTY *** CHARTWELL MASTER CARE CORPORATION	HYDRO ONE NETWORKS INC.	
		REMARKS: POSTPONEMENT OF MT26277 TO MT47957				
MT47966	2008/04/07	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** HSBC BANK CANADA	HYDRO ONE NETWORKS INC.	
		REMARKS: MT33188 & MT33189 TO MT47957				
MT47967	2008/04/07	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** ROSE FINANCE CORP. 2086996 ONTARIO INC.	HYDRO ONE NETWORKS INC.	
		REMARKS: MT26279 TO MT47957				
35R22739	2009/06/15	PLAN REFERENCE				C

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
MT67985	2009/06/24	NOTICE	\$1	THE DISTRICT MUNICIPALITY OF MUSKOKA		C
MT73837	2009/10/20	TRANSFER OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** ROSE FINANCE CORP.	2086996 ONTARIO INC.	
		REMARKS: MT26279.				
MT89198	2010/10/12	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	2097056 ONTARIO INC.	
MT89442	2010/10/15	DISCH OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** HSBC BANK CANADA		
		REMARKS: MT33188.				
MT89443	2010/10/15	DISCH OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** CHARTWELL MASTER CARE CORPORATION		
		REMARKS: MT26275.				
MT89444	2010/10/15	APL (GENERAL)		CHARTWELL MASTER CARE CORPORATION	2097056 ONTARIO INC.	C
		REMARKS: DELETE NOTICE OF OPTION TO PURCHASE MT26277 AS TO PT 1 - 8 & 12 35R22739				
MT89445	2010/10/15	DISCH OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2086996 ONTARIO INC.		
		REMARKS: MT26279.				
MT89446	2010/10/15	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** 2097056 ONTARIO INC.	1693221 ONTARIO LIMITED	
MT89447	2010/10/15	NOTICE	\$2	2097056 ONTARIO INC. 1693221 ONTARIO LIMITED		C
MT89448	2010/10/15	APL ANNEX REST COV		2097056 ONTARIO INC. 1693221 ONTARIO LIMITED		C
MT118007	2012/10/01	LR'S ORDER		*** COMPLETELY DELETED *** LAND REGISTRY OFFICE NO. 35		
		REMARKS: DELETE MT47966, MT47976, MT89442, MT89443, MT89445 & THIS ORDER				
MT118128	2012/10/02	TRANSFER	\$650,000	1693221 ONTARIO LIMITED	LEGACY LANE INVESTMENTS LTD.	C
		REMARKS: PLANNING ACT STATEMENTS				
MT118129	2012/10/02	CHARGE		*** COMPLETELY DELETED *** LEGACY LANE INVESTMENTS LTD.	1693221 ONTARIO LIMITED	

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
MT124115	2013/04/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1693221 ONTARIO LIMITED		
		REMARKS: MT118129.				
MT124116	2013/04/02	CHARGE	\$3,500,000	LEGACY LANE INVESTMENTS LTD.	2223947 ONTARIO LIMITED	C
MT124121	2013/04/02	TRANSFER OF CHARGE		2223947 ONTARIO LIMITED	OLYMPIA TRUST COMPANY 2223947 ONTARIO LIMITED	C
		REMARKS: MT124116.				
MT124949	2013/04/26	TRANSFER OF CHARGE		2223947 ONTARIO LIMITED	OLYMPIA TRUST COMPANY 2223947 ONTARIO LIMITED	C
		REMARKS: MT124116.				
MT135164	2014/01/16	TRANSFER OF CHARGE		2223947 ONTARIO LIMITED	OLYMPIA TRUST COMPANY 2223947 ONTARIO LIMITED	C
		REMARKS: MT124116.				
MT175835	2016/11/03	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C
		REMARKS: MT124116 AND MT111700				
MT176499	2016/11/18	CONSTRUCTION LIEN	\$93,959	HLD CORPORATION LTD.		C
MT178270	2017/01/03	CERTIFICATE		HLD CORPORATION LTD.		C
		REMARKS: RE: MT176499				

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.

**TAB 32**

LAND  
 REGISTRY  
 OFFICE #13

36071-0115 (LT)

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

PROPERTY DESCRIPTION: PT LT 636 PL A12 KINGSTON CITY AS IN FR183198; T/W FR183198; EXCEPT PT 1 13R21051 ; KINGSTON

PROPERTY REMARKS:

ESTATE/QUALIFIER:  
 FEE SIMPLE  
 LT CONVERSION QUALIFIED

RECENTLY:  
 RE-ENTRY FROM 36071-0457

PIN CREATION DATE:  
 2011/02/14

OWNERS' NAMES  
 TEXTBOOK (525 PRINCESS STREET) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2011/02/11 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2011/02/14 **						
FR183198	1968/10/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	JACK BLACKLOCK USED CARS LIMITED	
FC212200	2015/12/16	TRANSFER	\$1,069,500	JACK BLACKLOCK USED CARS LIMITED	TEXTBOOK (525 PRINCESS STREET) INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
FC212202	2015/12/16	CHARGE	\$6,400,000	TEXTBOOK (525 PRINCESS STREET) INC.	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	C
FC212203	2015/12/16	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: FC212202.						
FC213823	2016/01/25	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: FC212202.						

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
FC215341	2016/02/26	APL (GENERAL) REMARKS: DELETING S/T ADJOINING OWNERS		TEXTBOOK (525 PRINCESS STREET) INC.		C
FC225967	2016/08/24	CONSTRUCTION LIEN	\$66,747	J.L. RICHARDS & ASSOCIATES LIMITED		C
FC228793	2016/10/07	CERTIFICATE REMARKS: CERT OF ACTION FC225967		J.L. RICHARDS & ASSOCIATES LIMITED		C
FC230376	2016/11/03	APL COURT ORDER REMARKS: 'GRANT THORNTON LIMITED' APPOINTED TRUSTEE.		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C

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



LAND  
 REGISTRY  
 OFFICE #13

36071-0116 (LT)

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

**PROPERTY DESCRIPTION:** PT LT 636 PL A12 KINGSTON CITY AS IN FR151313; S/T FR151313; KINGSTON ; THE COUNTY OF FRONTENAC

**PROPERTY REMARKS:**

**ESTATE/QUALIFIER:**  
 FEE SIMPLE  
 LT CONVERSION QUALIFIED

**RECENTLY:**  
 RE-ENTRY FROM 36071-0342

**FIN CREATION DATE:**  
 2004/09/20

**OWNERS' NAMES**  
 TEXTBOOK (525 PRINCESS STREET) INC.

**CAPACITY SHARE**

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2004/09/17 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2004/09/20 **						
FR151313	1964/12/24	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	BLACKLOCK, JACK	
REMARKS: PLAN ATTACHED						
FC212199	2015/12/16	TRANSFER	\$480,500	BLACKLOCK, JACK	TEXTBOOK (525 PRINCESS STREET) INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
FC212202	2015/12/16	CHARGE	\$6,400,000	TEXTBOOK (525 PRINCESS STREET) INC.	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	C
FC212203	2015/12/16	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: FC212202.						
FC213823	2016/01/25	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
REMARKS: FC212202.						

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
FC225967	2016/08/24	CONSTRUCTION LIEN	\$66,747	J.L. RICHARDS & ASSOCIATES LIMITED		C
FC228793	2016/10/07	CERTIFICATE REMARKS: CERT OF ACTION FC225967		J.L. RICHARDS & ASSOCIATES LIMITED		C
FC230376	2016/11/03	APL COURT ORDER REMARKS: 'GRANT THORNTON LIMITED' APPOINTED TRUSTEE.		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C

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



LAND  
 REGISTRY  
 OFFICE #13

36071-0117 (LT)

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

**PROPERTY DESCRIPTION:** PT LT 637-638 PL A12 KINGSTON CITY AS IN FR218760 & FR142138 EXCEPT THE EASEMENT THEREIN SECONDLY & THIRDLY DESCRIBED IN FR142138 AND EXCEPT THE EASEMENT THEREIN FIRSTLY DESCRIBED IN FR218760; S/T FR218760 & FR142138; KINGSTON ; THE COUNTY OF FRONTENAC

**PROPERTY REMARKS:**

**ESTATE/QUALIFIER:**  
 FEE SIMPLE  
 LT CONVERSION QUALIFIED

**RECENTLY:**  
 RE-ENTRY FROM 36071-0343

**PIN CREATION DATE:**  
 2004/09/20

**OWNERS' NAMES**  
 TEXTBOOK (525 PRINCESS STREET) INC.

**CAPACITY SHARE**

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2004/09/17 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2004/09/20 **						
FR142138	1963/11/27	TRANSFER	\$45,000		JACK BLACKLOCK USED CARS LIMITED	C
REMARKS: PLAN ATTACHED						
FR218760	1971/12/28	TRANSFER	\$5		JACK BLACKLOCK USED CARS LIMITED	C
13R5746	1984/06/13	PLAN REFERENCE				C
13R6390	1985/08/14	PLAN REFERENCE				C
FC212200	2015/12/16	TRANSFER	\$1,069,500	JACK BLACKLOCK USED CARS LIMITED	TEXTBOOK (525 PRINCESS STREET) INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
FC212202	2015/12/16	CHARGE	\$6,400,000	TEXTBOOK (525 PRINCESS STREET) INC.	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	C
FC212203	2015/12/16	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C

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

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		<i>REMARKS: FC212202.</i>				
FC213823	2016/01/25	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
		<i>REMARKS: FC212202.</i>				
FC225967	2016/08/24	CONSTRUCTION LIEN	\$66,747	J.L. RICHARDS & ASSOCIATES LIMITED		C
FC228793	2016/10/07	CERTIFICATE		J.L. RICHARDS & ASSOCIATES LIMITED		C
		<i>REMARKS: CERT OF ACTION FC225967</i>				
FC230376	2016/11/03	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C
		<i>REMARKS: 'GRANT THORNTON LIMITED' APPOINTED TRUSTEE.</i>				

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







Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #13

36071-0118 (LT)

PAGE 1 OF 2

PREPARED FOR Chartrand  
ON 2017/04/06 AT 10:16:22

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

PROPERTY DESCRIPTION: PT LT 637-638 PL A12 KINGSTON CITY PT 1 13R6390; T/W FR412426; KINGSTON ; THE COUNTY OF FRONTENAC

PROPERTY REMARKS:

ESTATE/QUALIFIER:  
FEE SIMPLE  
LT CONVERSION QUALIFIED

RECENTLY:  
RE-ENTRY FROM 36071-0344

PIN CREATION DATE:  
2004/09/20

OWNERS' NAMES  
TEXTBOOK (525 PRINCESS STREET) INC.

CAPACITY SHARE  
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2004/09/17 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2004/09/20 **						
13R6390	1985/08/14	PLAN REFERENCE				C
FR412426	1985/08/29	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	MARK, KENNETH MARK, SUE KING	
FR579215	1992/07/21	CHARGE		*** COMPLETELY DELETED ***	ROYAL TRUST CORPORATION OF CANADA	
FC124935	2011/10/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL TRUST CORPORATION OF CANADA		
REMARKS: FR579215.						
FC156985	2013/04/15	TRANSFER		*** COMPLETELY DELETED *** MARK, KENNETH MARK, SUE KING	RAPIN, PAUL	
REMARKS: PLANNING ACT STATEMENTS.						
FC156986	2013/04/15	CHARGE		*** COMPLETELY DELETED ***		

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



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #13

36071-0118 (LT)

PAGE 2 OF 2  
PREPARED FOR Chartrand  
ON 2017/04/06 AT 10:16:22

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
FC212194	2015/12/15	DISCH OF CHARGE REMARKS: FC156586.		RAPIN, PAUL *** COMPLETELY DELETED *** RAPIN, JEAN	RAPIN, JEAN	
FC212201	2015/12/16	TRANSFER REMARKS: PLANNING ACT STATEMENTS.	\$850,000	RAPIN, PAUL	TEXTBOOK (525 PRINCESS STREET) INC.	C
FC212202	2015/12/16	CHARGE	\$6,400,000	TEXTBOOK (525 PRINCESS STREET) INC.	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	C
FC212203	2015/12/16	TRANSFER OF CHARGE REMARKS: FC212202.		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
FC213823	2016/01/25	TRANSFER OF CHARGE REMARKS: FC212202.		TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	TEXTBOOK STUDENT SUITES (525 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
FC225967	2016/08/24	CONSTRUCTION LIEN	\$66,747	J.L. RICHARDS & ASSOCIATES LIMITED		C
FC228793	2016/10/07	CERTIFICATE REMARKS: CERT OF ACTION FC225967		J.L. RICHARDS & ASSOCIATES LIMITED		C
FC230376	2016/11/03	APL COURT ORDER REMARKS: 'GRANT THORNTON LIMITED' APPOINTED TRUSTEE.		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C

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

**TAB 33**

LAND  
 REGISTRY  
 OFFICE #13

36072-0135 (LT)

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

PROPERTY DESCRIPTION: PT LT 626-627 PL A12 KINGSTON CITY AS IN CK40869 EXCEPT FR568186; KINGSTON ; THE COUNTY OF FRONTENAC

PROPERTY REMARKS:

ESTATE/QUALIFIER:  
 FEE SIMPLE  
 LT CONVERSION QUALIFIED

RECENTLY:  
 RE-ENTRY FROM 36072-0379

PIN CREATION DATE:  
 2004/09/20

OWNERS' NAMES  
 TEXTBOOK (555 PRINCESS STREET) INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2004/09/17 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2004/09/20 **</p>						
CK40869	1925/04/16	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	IMPERIAL OIL LIMITED	
13R4748	1981/10/19	PLAN REFERENCE				C
FR359630	1982/06/08	AGREEMENT REMARKS: SKETCH ATTACHED.			CITY OF KINGSTON	C
FR481689	1988/07/28	AGREEMENT REMARKS: SITE PLAN		*** COMPLETELY DELETED ***	THE CORP. OF THE CITY OF KINGSTON IMPERIAL OIL LIMITED	
FR508685	1989/08/10	NOTICE OF LEASE		*** COMPLETELY DELETED ***	SOUTHLAND CANADA INC.	
13R19473	2009/02/25	PLAN REFERENCE				C
FC208856	2015/10/20	APL (GENERAL)		*** COMPLETELY DELETED *** IMPERIAL OIL LIMITED		

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
		REMARKS: FR508685				
FC208909	2015/10/20	TRANSFER REMARKS: PLANNING ACT STATEMENTS.	\$2,000,000	IMPERIAL OIL LIMITED	TEXTBOOK (555 PRINCESS STREET) INC.	C
FC208910	2015/10/20	APL ANNEX REST COV REMARKS: EXPIRES OCT. 20, 2055		TEXTBOOK (555 PRINCESS STREET) INC.		C
FC208911	2015/10/20	CHARGE	\$8,000,000	TEXTBOOK (555 PRINCESS STREET) INC.	TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION	C
FC208912	2015/10/20	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION	TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	C
		REMARKS: FC208911.				
FC211442	2015/12/01	TRANSFER OF CHARGE		TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY	TEXTBOOK STUDENT SUITES (555 PRINCESS STREET) TRUSTEE CORPORATION OLYMPIA TRUST COMPANY AS	C
		REMARKS: FC208911.				
FC217866	2016/04/21	APL (GENERAL) REMARKS: DELETE FR481689		*** COMPLETELY DELETED *** THE CORPORATION OF THE CITY OF KINGSTON		
FC225967	2016/08/24	CONSTRUCTION LIEN	\$66,747	J.L. RICHARDS & ASSOCIATES LIMITED		C
FC228793	2016/10/07	CERTIFICATE REMARKS: CERT OF ACTION FC225967		J.L. RICHARDS & ASSOCIATES LIMITED		C
FC230376	2016/11/03	APL COURT ORDER REMARKS: 'GRANT THORNTON LIMITED' APPOINTED TRUSTEE.		ONTARIO SUPERIOR COURT OF JUSTICE	GRANT THORNTON LIMITED	C

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

**THE SUPERINTENDENT OF FINANCIAL SERVICES**

-and-

**TEXTBOOK STUDENT SUITES (525 PRINCESS STREET)  
TRUSTEE CORPORATION, et al.**

Applicant

Respondents

Court File No. CV-16-11567-00CL

**IN THE MATTER OF THE RECEIVERSHIP OF SCOLLARD DEVELOPMENT CORPORATION**

Court File No. CV-17-11689-00CL

---

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

**Proceedings commenced at Toronto**

---

**MOTION RECORD**  
**(Returnable April 28, 2017)**  
**Volume 3 of 5**

---

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
Suite 1800, 181 Bay Street  
Toronto, ON M5J 2T9

**Steven L. Graff (LSUC # 31871V)**

Tel: (416) 865-7726

Fax: (416) 863-1515

Email: [sgraff@airdberlis.com](mailto:sgraff@airdberlis.com)

**Ian Aversa (LSUC # 55449N)**

Tel: (416) 865-3082

Fax: (416) 863-1515

Email: [iaversa@airdberlis.com](mailto:iaversa@airdberlis.com)

**Jeremy Nemers (LSUC # 66410Q)**

Tel: (416) 865-7724

Fax: (416) 863-1515

Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

*Lawyers for Grant Thornton Limited, in its capacity as the court-appointed trustee of each of the Tier 1 Trustee Corporations*