

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

APPLICATION RECORD

(Application returnable September 19, 2025)

HARRISON PENSA LLP

Barristers & Solicitors

130 Dufferin Avenue, Suite 1101

London, ON N6A 5R2

Michael E. Cassone (LSO #45073G)

Tel: (519) 679-9660

Fax: (519) 667-3362

mcassone@harrisonpensa.com

Lawyers for the Applicant

TO: **Horizen Developments GP Corp.**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **Horizen Developments LP**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **SF Square LP**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **SF Square GP Corp.**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **SF Square GP Corp.**
c/o BDO Canada Limited
Attention: Clark Lonergan
Email: clonergan@bdo.ca

AND

TO: **RHH Rental Properties Ltd.**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **RHH Rental Properties Ltd.**
c/o Deloitte Restructuring Inc.
Attention: Philip Reynolds
Email: philreynolds@deloitte.ca

AND

TO: **Futurelands Ltd.**
520 Jarvis Street
London, ON N6K 1X1

AND

TO: **34 Holdings Inc.**
1515 Gordon Street, Unit 203
Guelph, ON N1L 1C9
Email: scott@reidsproperties.com

AND

TO: **Scott Reid**
6815 Wellington Road 34
RR#2
Cambridge, ON N3C 2V4
Email: scott@reidsproperties.com

AND

TO: **James Cameron**
520 Jarvis Street
London, ON N6K 1X1

AND

TO: **Sierra General Contracting Inc.**
c/o Kennaley Construction Law
31 Mechanic Street, Suite 305
Paris, ON N3L 1K1
Email: inquiries@kennaley.ca

AND

TO: **McKenzie Lake Lawyers LLP**
100 Stone Road West, Suite 300
Guelph, ON N1G 5L3
Attention: Alexander Verrilli
Email: Alexander.verrilli@mckenzielake.com

AND

TO: **BDO Canada Limited**
20 Wellington East, Suite 500
Toronto, ON M5E 1C5
Attention: Clark Lonergan
Email: clonergan@bdo.ca

AND

TO: **CANADA REVENUE AGENCY**
c/o Department of Justice
Ontario Regional Office
120 Adelaide St. W., Suite 400
Toronto, ON M5H 1T1
Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

AND

TO: **HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF ONTARIO**

as Represented by The Ministry of Finance

Revenue Collections Branch – Insolvency Unit

33 King Street W., P.O. Box 627

Oshawa, ON L1H 8H5

Email: insolvency.unit@ontario.ca

Email: steven.groeneveld@ontario.ca

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

- and -

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Respondent

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Court File No.
CV-25-00002469-0000

BETWEEN:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

NOTICE OF APPLICATION

TO THE RESPONDENT:

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

THIS APPLICATION will come on for a hearing on the 19th day of September, 2025 at 10:00 a.m.

- in writing under subrule 37.12.1(1) and 37.07(2);
- in writing as an opposed motion under subrule 37.12.1(4);
- in person, by video conference

At the following location: 80 Dundas Street, London, Ontario N6A 6A5

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

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

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

Date: September ⁵~~2~~, 2025

David C
Issued by: Sparkman
Local Registrar
80 Dundas Street
London, Ontario N6A 6A5

Digitally signed by David C
Sparkman
Date: 2025.09.05 11:59:25
-04'00'

APPLICATION

1. The applicant, ADJ Holdings Inc. (the "**Applicant**") makes an application for:
 - a) if necessary, an order abridging the time for service and filing of this notice of application and the application record, validating service that has been completed to date, and an order dispensing with further service thereof on any party other than the persons served;
 - b) an order appointing BDO Canada Limited ("**BDO**") as receiver (in such capacities, the "**Receiver**"), without security of all the assets, undertaking, and properties of the respondent, Horizen Developments GP Corp. (the "**Respondent**"), including but without limitation, the property known municipally as 520 Sarnia Road, London, Ontario and legally described as follows:

PIN 08056-1935 (LT)
Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373
City of London, County of Middlesex

(the "**Property**");
 - c) costs, in accordance with the terms of the Commitment Letter, the GSA, the Promissory Note and the Mortgage (as these terms are hereinafter defined), as applicable, or in the alternative, in accordance with the *Courts of Justice Act* R.S.O. 1990, c. C.43, as amended; and
 - d) such further and other relief as this Honourable Court may deem just.

2. The grounds for the application are:

The Parties

- a) The Applicant is a private mortgage lender and asset manager in the province of Ontario. The Applicant is a company incorporated pursuant to the laws of the province of Ontario.

- b) The Respondent is a company incorporated pursuant to the laws of the province of Ontario. The Respondent carries on business as a commercial and residential real estate investment and development firm. The Respondent is indebted to the Applicant pursuant to the terms of: (i) the Commitment Letter (defined and described below); (ii) the GSA (defined and described below); (iii) the Promissory Note (defined and described below); and (iv) the Mortgage (defined and described below).
- c) The Respondent is the owner and mortgagor of the Property.

The Loan

- d) In or about May of 2024, the Applicant loaned the Respondent the sum of \$5,000,000.00 as evidenced by and pursuant to the terms of a commitment letter dated May 8, 2024, as amended, restated, modified and/or supplemented (the "**Commitment Letter**").
- e) The credit facilities established by the Commitment Letter are described below:
 - a. Facility 1: is a loan in the amount of \$2,800,000.00 with interest accruing at the rate of 12.0% per annum, compounded monthly not in advance, from the date of the initial advance ("**Facility 1**"). Facility 1 is outstanding.
 - b. Facility 2: is a loan in the amount of \$2,200,000.00 and subject to a flat fee of \$175,000.00 ("**Facility 2**"). Facility 2 was paid in December of 2024.

The Security

- f) The Applicant holds the following as security for the obligations due and owing by Respondent pursuant to the Commitment Letter:
 - a. a collateral mortgage in the principal amount of \$6,000,000.00 registered against title to the Property as Instrument ER1576529 on May 14, 2024 (the "**Mortgage**");
 - b. a notice of assignment of rents - general registered against title to the Property as Instrument ER1576530 on May 14, 2024;

- c. a general security agreement from the Respondent and Horizen Developments LP dated May 14, 2024 (the "**GSA**");
- d. a guarantee from SF Square LP, SF Square GP Corp. in both its capacity as General Partner for SF Square LP and in its own capacity, RHH Rental Properties Ltd., Futurelands Ltd., 34 Holdings Inc., Scott Reid and James Cameron dated May 14, 2024; and
- e. a promissory note from the Respondent in the principal amount of \$2,800,000.00 dated May 14, 2024 (the "**Promissory Note**").

Amount Owing

- g) The amount due and owing by the Respondent to the Applicant is \$2,986,990.41 as of August 1, 2025, plus: (i) accruing interest on the sum of \$2,986,990.41 at the rate of 12.0% per annum; and (ii) the Applicant's continuing cost of enforcement, including legal costs and professional costs (collectively the "**Debt**").

Default

- h) The Respondent is in default of the obligations owing to the Applicant.
- i) On August 7, 2025, the Applicant delivered a demand for payment and notice of intention to enforce security to the Respondent (the "**Demand**").
- j) The Respondent failed to satisfy the Demand.

The Applicant's Rationale of the Appointment of the Receiver

- k) The Respondent is in default of the obligations owing to the Applicant.
- l) No further credit is available to the Respondent.
- m) The Respondent is insolvent and unable to pay the Debt. The Applicant has not received a payment from the Respondent since June 16, 2025.

- n) As of August 29, 2025, there are property tax arrears in the amount of \$157,461.52 contrary to the terms of the Mortgage.
- o) It is the Applicant's position that the appointment of a receiver is just and equitable and is necessary for the protection of the estate of the Respondent and the interest of the Respondent in the Property.
- p) The Applicant proposes that BDO be appointed as receiver, without security over all of the assets, undertaking and properties of the Respondent, including the Property.
- q) BDO has consented to act as receiver should this Honorable Court appoint it.
- r) Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 as amended
- s) Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43, as amended.
- t) Rules 1.04, 2.01, 2.03, 3.01, 3.02, 14 and 38 of the *Rules of Civil Procedure* R.R.O. 1990, Reg. 194.
- u) Such further and other grounds as Counsel may advise.

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

1. The Notice of Application;
2. Affidavit of Andrew Charabin and all exhibits thereto;
3. The Consent of the Receiver; and
4. Such further and other evidence as this Honourable Court permit.

September 2, 2025

Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

Michael Cassone (LSO #45073G)

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Fax 519 667 3362

mcassone@harrisonpensa.com

Lawyers for the Applicant

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

NOTICE OF APPLICATION

Harrison Pensa LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Michael E. Cassone (LSO #45073G)
Tel: (519) 679-9660
Fax: (519) 667-3362
mcassone@harrisonpensa.com

Lawyers for the Applicant
MEC/208916

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

AFFIDAVIT OF ANDREW CHARABIN

I, **ANDREW CHARABIN**, of the city of London, in the province of Ontario, **MAKE**

OATH AND SAY:

1. I am the principal of the applicant, ADJ Holdings Inc. (the “**Applicant**”) and as such have knowledge of the matters to which I hereinafter depose. Where the information is not from my direct knowledge, but is based upon information provided to me by others, I verily believe the information to be true.

The Parties and the Property

2. The Applicant is a private mortgage lender and asset manager in the province of Ontario. The Applicant is a company incorporated pursuant to the laws of the province of Ontario. Attached hereto to this my affidavit and marked as Exhibit “**A**” is a true copy of the corporate profile for the Applicant.

3. The respondent, Horizen Developments GP Corp. (the “**Respondent**”), is a company incorporated pursuant to the laws of the province of Ontario. The Respondent carries on business as a commercial and residential real estate investment and development firm. The Respondent is indebted to the Applicant pursuant to the terms of: (i) the Commitment Letter (defined and described below); (ii) the GSA (defined and described below); (iii) the Promissory Note (defined and described below); and (iv) the Mortgage (defined and described below). Attached hereto to this my affidavit and marked as Exhibit “**B**” is a true copy of the corporate profile for the Respondent.
4. The Respondent is the owner and mortgagor of the property known municipally as 520 Sarnia Road, London, Ontario and legally described as follows:

PIN 08056-1935 (LT)
Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373
City of London, County of Middlesex

(the “**Property**”).
5. The parcel register for the Property is attached hereto to this my affidavit and marked as Exhibit “**C**”.
6. The block map, MPAC and aerial photograph of the Property are attached hereto to this my affidavit and marked collectively as Exhibit “**D**”.
7. The Property is approximately a 1.677 acres redevelopment site. The Property is planned for the development of an eight (8) storey building with 129 units which account for 106,361 square feet of gross building area.

The Indebtedness to the Applicant and the Security Held

8. As of August 1, 2025, the Respondent is indebted to the Applicant in the amount of \$2,986,990.41 plus accruing interest and the Applicant's continuing costs of enforcement including legal costs and professional fees (collectively the "**Indebtedness**") pursuant to financing advanced to the Respondent in accordance with the terms of the Commitment Letter. The payout statement for the Loan (defined and described below) is attached hereto to this my affidavit and marked as Exhibit "**E**".

The Loan

9. In or about May of 2024, the Applicant loaned the Respondent the sum of \$5,000,000.00 (the "**Loan**") as evidenced by and pursuant to the terms of a commitment letter dated May 8, 2024, as amended, restated, modified and/or supplemented (the "**Commitment Letter**"). The Commitment Letter is attached hereto to this my affidavit and marked as Exhibit "**F**".
10. The credit facilities established by the Commitment Letter are described below:
 - a. Facility 1: is a loan in the amount of \$2,800,000.00 with interest accruing at the rate of 12.0% per annum, compounded monthly not in advance, from the date of the initial advance ("**Facility 1**"). Facility 1 is outstanding.
 - b. Facility 2: is a loan in the amount of \$2,200,000.00 and subject to a flat fee of \$175,000.00 ("**Facility 2**"). Facility 2 was paid in December of 2024.

The Security

11. The Applicant holds the following as security for the obligations due and owing by Respondent pursuant to the Commitment Letter:

- a. a collateral mortgage in the principal amount of \$6,000,000.00 registered against title to the Property as Instrument ER1576529 on May 14, 2024 (the "**Mortgage**"). The Mortgage is attached hereto to this my affidavit and marked as Exhibit "**G**";
- b. a notice of assignment of rents - general registered against title to the Property as Instrument ER1576530 on May 14, 2024 (the "**Assignment of Rents**"). The Assignment of Rents is attached hereto to this my affidavit and marked as Exhibit "**H**";
- c. a general security agreement from the Respondent and Horizen Developments LP dated May 14, 2024 (the "**GSA**"). The GSA is attached hereto to this my affidavit and marked as Exhibit "**I**";
- d. a guarantee from SF Square LP, SF Square GP Corp. in both its capacity as General Partner for SF Square LP and in its own capacity, RHH Rental Properties Ltd., Futurelands Ltd., 34 Holdings Inc., Scott Reid and James Cameron dated May 14, 2024 (the "**Guarantee**"). The Guarantee is attached hereto to this my affidavit and marked as Exhibit "**J**"; and
- e. a promissory note from the Respondent in the principal amount of \$2,800,000.00 dated May 14, 2024 (the "**Promissory Note**"). The Promissory Note is attached hereto to this my affidavit and marked as Exhibit "**K**".

The Applicant's Interest in the Property

12. The Applicant's interest in the Property is secured by the Mortgage. The Mortgage is a first charge.
13. The Mortgage provides that on default: (i) the principal amount secured by the Mortgage with interest as set forth in any loan agreement becomes due and payable to the Applicant; and (ii) the Applicant is entitled to possession of the Property.
14. The Mortgage also provides that the Applicant is entitled to payment of all costs and expenses incurred by the Applicant, including all costs and expenses to

enforce or protect the Applicant's rights under the Mortgage or any loan agreement, including, but not limited to, all legal fees on a solicitor and client basis.

15. The parcel register for the Property identifies the following encumbrances subsequent to the Mortgage:
 - a. the Assignment of Rents;
 - b. a construction lien in favour Sierra General Contracting Inc. in the amount of \$190,392.00, registered as instrument ER1636723 on July 8, 2025 (the "**Construction Lien**"). The Construction Lien is attached hereto to this my affidavit and marked as Exhibit "**L**"; and
 - c. a certificate of action is favour of Sierra General Contracting Inc. registered as Instrument ER1645203 on August 28, 2025 (the "**Certificate of Action**"). The Certificate of Action is attached hereto to this my affidavit and marked as Exhibit "**M**".
16. The tax certificate for the Property identifies outstanding tax arrears in the amount of \$157,461.52 (the "**Tax Arrears**") as of August 29, 2025 (the "**Tax Certificate**"). The Tax Certificate is attached hereto to this my affidavit and marked as Exhibit "**N**".

The Sheriff Search Results

17. The sheriff search for the Respondent confirms there are no outstanding executions against the Respondent. The sheriff search for the Respondent is attached hereto to this my affidavit and marked as Exhibit "**O**".

The Applicant's Interest in the Personal Property of the Respondent

18. The GSA grants the Applicant a security interest in the Respondent's present and after acquired personal property (the "**Personal Property**") as security for all

money owed by the Respondent to the Applicant at any time plus interest on such amounts and all costs, charges and expenses.

19. The Applicant perfected its security interest in the Personal Property by registering a financing statement pursuant to the provision of the *Personal Property Security Act* ("**PPSA**"). The PPSA search for the Respondent is attached hereto to this my affidavit and marked as Exhibit "**P**".

Default/Demand

20. The Respondent is in default of the obligations owing to Applicant pursuant to the terms of the Commitment Letter, the GSA, the Promissory Note and the Mortgage.
21. The Applicant has not received a payment from the Respondent since June 16, 2025. The payment history for the Loan is attached hereto to this my affidavit and marked as Exhibit "**Q**".
22. The Tax Arrears, the Construction Lien and the Certificate of Action also constitute a default pursuant to the terms of the Mortgage.
23. On August 7, 2025, the Applicant delivered a demand for payment and notice of intention to enforce security to the Respondent (the "**Demand**"). The Demand is attached hereto to this my affidavit and marked as Exhibit "**R**".

The Mareva Order & Norwich Order in the Plaintiffs' Action

24. On August 8, 2025, in Guelph Court File CV-25-00000342-0000 (the "**Plaintiffs' Action**"), the Honourable Justice Trimble ordered against the Respondent and various other related parties, *inter alia*:
- a. an interim and interlocutory injunction enjoining and restraining the Mareva Defendants (as defined in the Mareva Order), directly or indirectly, from dealing with any and all assets of any kinds of the Mareva Defendants wherever situated worldwide (the "**Mareva Order**"). Attached hereto to this my Affidavit and marked as Exhibit "**S**" is a true copy of the Mareva Order; and
 - b. an order directing the Financial Institutions (as defined in the Norwich Order) to provide financial information with respect to the defendants referenced therein (the "**Norwich Order**"). Attached hereto to this my affidavit and marked as Exhibit "**T**" is a true copy of the Norwich Order.
25. On August 19, 2025, the Honourable Justice Trimble issued an order (the "**Carve-out Order**") on consent of the Applicant and the plaintiffs in the Plaintiffs' Action that, *inter alia*:
- a. the Applicant is authorized to apply for an order appointing BDO Canada Limited ("**BDO**") as receiver of the Respondent (in such capacity, the "**Receiver**");
 - b. the terms of the Mareva Order as it relates to the Respondent do not apply to BDO as the proposed receiver of the Respondent; and
 - c. the Plaintiffs are granted leave to continue with the Plaintiffs' Action, including the relief contained in the Mareva Order and the Norwich Order, on the condition that the Plaintiffs' Action does not prevent or otherwise interfere with BDO's performance and completion of its powers and obligations under the order appointing the Receiver.

Attached hereto to this my affidavit and marked as Exhibit "**U**" is a true copy of the Carve-out Order.

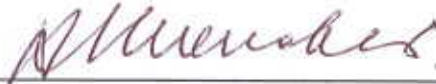
The Applicant's Right to and Rationale for the Appointment of a Receiver

26. The Respondent is in default pursuant to the terms of the Commitment Letter, the GSA, the Promissory Note and the Mortgage.
27. The Mortgage incorporates standard charge terms 201604 by reference (the "**Standard Charge Terms**"). The Standard Charge Terms are attached hereto to this my affidavit and marked as Exhibit "**V**".
28. Section 15(a)(v) of the Standard Charge Terms authorizes the Applicant to appoint a receiver in the event of default.
29. Article 6.1(m) of the GSA authorizes the Applicant to appoint a receiver in the event of default.
30. No further credit is available from the Applicant.
31. The appointment of BDO as Receiver is necessary to protect: (i) the estate of the Respondent and the Property; and (ii) the interest of the Applicant as a secured creditor.
32. BDO has consented to the appointment as receiver of the Respondent and the Property. The consent of BDO is attached hereto to this my affidavit and marked as Exhibit "**W**".
33. I make this affidavit in support of the Applicant's application to have BDO appointed as receiver of the Respondent and the Property, and for no other or improper purpose.

SWORN by video conference from the)
city of London in the province of)
Ontario, before me in the City)
of London, in the province of Ontario this)
4th day of September, 2025 in accordance)
with O.Reg 431/20, Administering Oath or)
Declaration Remotely)



Commissioner for Taking Affidavits (or as may be)



ANDREW CHARABIN

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

EXHIBITS

TABS "A" TO "W" ARE THE
EXHIBITS TO THE AFFIDAVIT OF
ANDREW CHARABIN
SWORN THIS 4th DAY OF SEPTEMBER, 2025



A Commissioner for taking Affidavits

ADJ HOLDINGS INC.

- and -

HORIZEN DEVELOPMENTS GP CORP.

Applicant

Respondent

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

AFFIDAVIT OF ANDREW CHARABIN

Harrison Pensa ^{LLP}
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Michael E. Cassone (LSO #45073G)
Tel: (519) 679-9660
Fax: (519) 667-3362
mcassone@harrisonpensa.com

Lawyers for the Applicant
MEC/208916

TAB A



Profile Report

ADJ HOLDINGS INC. as of August 06, 2025

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	ADJ HOLDINGS INC.
Ontario Corporation Number (OCN)	1873811
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Amalgamation	August 17, 2012
Registered or Head Office Address	2068 Piper Lane, London, Ontario, N5V 3N6, Canada

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

V. Quintanilla W.

Director/Registrar

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

Minimum Number of Directors 1
Maximum Number of Directors 10

Active Director(s)

Name ANDREW CHARABIN
Address for Service 720 Riverside Drive, London, Ontario, N6H 2S4, Canada
Resident Canadian Yes
Date Began August 17, 2012

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

V. Quintanilla W.

Director/Registrar

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

Active Officer(s)

Name	ANDREW CHARABIN
Position	President
Address for Service	720 Riverside Drive, London, Ontario, N6H 2S4, Canada
Date Began	August 17, 2012

Name	LIDIA CHARABIN
Position	Secretary
Address for Service	720 Riverside Drive, London, Ontario, N6H 2S4, Canada
Date Began	August 17, 2012

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

V. Quintanilla W.

Director/Registrar

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

Corporate Name History

Name

ADJ HOLDINGS INC.

Effective Date

September 05, 2012

Previous Name

ADVANCE MANUFACTURING TECHNOLOGIES INC.

Effective Date

August 17, 2012

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

V. Quintanilla W.

Director/Registrar

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Amalgamating Corporations

Corporation Name
Ontario Corporation Number

MAYLAKE GROUP DEVELOPMENTS INC.
2004570

Corporation Name
Ontario Corporation Number

ADVANCE MANUFACTURING TECHNOLOGIES INC.
2011826

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

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Active Business Names

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

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Expired or Cancelled Business Names

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Document List

Filing Name	Effective Date
Annual Return - 2024 PAF: ANDREW CHARABIN	January 28, 2025
Annual Return - 2023 PAF: ANDREW CHARABIN	December 12, 2023
Archive Document Package	March 13, 2023
Annual Return - 2022 PAF: ANDREW CHARABIN	January 24, 2023
Annual Return - 2021 PAF: Andrew CHARABIN	March 28, 2022
Annual Return - 2020 PAF: ANDREW CHARABIN - DIRECTOR	February 07, 2021
Annual Return - 2019 PAF: ANDREW CHARABIN - DIRECTOR	December 22, 2019
Annual Return - 2018 PAF: ANDREW CHARABIN - DIRECTOR	January 27, 2019
Annual Return - 2017 PAF: ANDREW CHARABIN - DIRECTOR	February 25, 2018
Annual Return - 2016 PAF: ANDREW CHARABIN - DIRECTOR	January 15, 2017
Annual Return - 2015 PAF: ANDREW CHARABIN - DIRECTOR	January 09, 2016
Annual Return - 2014 PAF: ANDREW CHARABIN - DIRECTOR	November 15, 2014
Annual Return - 2013 PAF: ANDREW CHARABIN - DIRECTOR	December 28, 2013

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BCA - Articles of Amendment	September 05, 2012
CIA - Initial Return PAF: DAVID LYONS - OTHER	August 22, 2012
BCA - Articles of Amalgamation	August 17, 2012

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

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TAB B



Profile Report

HORIZEN DEVELOPMENTS GP CORP. as of August 06, 2025

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	HORIZEN DEVELOPMENTS GP CORP.
Ontario Corporation Number (OCN)	2719867
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	October 03, 2019
Registered or Head Office Address	1515 Gordon Street, 203, Guelph, Ontario, N1L 1C9, Canada

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Minimum Number of Directors 1
Maximum Number of Directors 10

Active Director(s)

Name BEN CAMERON
Address for Service 520 Jarvis Street, London, Ontario, N6K 1X1, Canada
Resident Canadian Yes
Date Began October 03, 2019

Name SCOTT O. REID
Address for Service 6815 Wellington Road 34, R.R. #22, Cambridge, Ontario, N3C 2V4, Canada
Resident Canadian Yes
Date Began October 03, 2019

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V. Quintanilla W.

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Active Officer(s)

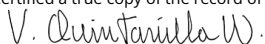
Name BEN CAMERON
Position Secretary
Address for Service 520 Jarvis Street, London, Ontario, N6K 1X1, Canada
Date Began October 03, 2019

Name BEN CAMERON
Position Treasurer
Address for Service 520 Jarvis Street, London, Ontario, N6K 1X1, Canada
Date Began October 03, 2019

Name TODD NEILL
Position Vice-President
Address for Service 78 Christine Drive, Guelph, Ontario, N1H 6J2, Canada
Date Began October 03, 2019

Name SCOTT O. REID
Position President
Address for Service 6815 Wellington Road 34, R.R. #22, Cambridge, Ontario, N3C 2V4, Canada
Date Began October 03, 2019

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Corporate Name History

Name HORIZEN DEVELOPMENTS GP CORP.
Effective Date May 19, 2021

Previous Name 2719867 ONTARIO LTD.
Effective Date October 03, 2019

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Active Business Names

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Document List

Filing Name	Effective Date
Annual Return - 2020 PAF: HELEN RIBEIRO	July 18, 2023
Annual Return - 2019 PAF: HELEN RIBEIRO	July 18, 2023
Annual Return - 2022 PAF: HELEN RIBEIRO	July 14, 2023
Annual Return - 2021 PAF: HELEN RIBEIRO	July 14, 2023
BCA - Articles of Amendment	May 19, 2021
CIA - Notice of Change PAF: WILLIAM THOMPSON - OTHER	July 21, 2020
CIA - Initial Return PAF: SCOTT O. REID - DIRECTOR	October 03, 2019
BCA - Articles of Incorporation	October 03, 2019

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TAB C

PROPERTY DESCRIPTION: BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
ABSOLUTE

RECENTLY:

DIVISION FROM 08056-0060

PIN CREATION DATE:

2023/05/17

OWNERS' NAMES

HORIZEN DEVELOPMENTS GP CORP.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
D47673321	1989/09/20	APL (GENERAL)		SIFTON PROPERTIES LIMITED		C
LT240439	1991/07/10	NOTICE		SIFTON PROPERTIES LIMITED	THE CORPORATION OF THE CITY OF LONDON	C
LT246494	1991/09/10	NOTICE		SIFTON PROPERTIES LIMITED	THE CORPORATION OF THE CITY OF LONDON	C
REMARKS: RE: LT240439						
33M273	1991/10/09	PLAN SUBDIVISION				C
33R10115	1991/10/11	PLAN REFERENCE				C
33R10235	1992/01/13	PLAN REFERENCE				C
33R10867	1993/03/09	PLAN REFERENCE				C
LT303181	1993/05/11	TRANSFER EASEMENT		SIFTON PROPERTIES LIMITED	SHELL CANADA LIMITED	C
LT347584	1994/06/01	NOTICE		BIG V ENTERPRISES INC.	THE CORPORATION OF THE CITY OF LONDON	C
ER465628	2006/10/27	APL ANNEX REST COV		BIG V ENTERPRISES INC.		C
ER1314147	2020/07/28	TRANSFER	\$4,100,000	MEDICAL PHARMACIES LTD.	2719867 ONTARIO LTD.	C
REMARKS: PLANNING ACT STATEMENTS.						
ER1405718	2021/09/16	APL CH NAME OWNER		2719867 ONTARIO LTD.	HORIZEN DEVELOPMENTS GP CORP.	C
ER1522915	2023/05/01	TRANSFER EASEMENT	\$2	HORIZEN DEVELOPMENTS GP CORP.	LONDON HYDRO INC.	C
ER1556067	2023/11/30	TRANSFER EASEMENT	\$2	HORIZEN DEVELOPMENTS GP CORP.	ROGERS COMMUNICATIONS CANADA INC.	C
ER1576529	2024/05/14	CHARGE	\$6,000,000	HORIZEN DEVELOPMENTS GP CORP.	ADJ HOLDINGS INC.	C

LAND
REGISTRY
OFFICE #33

08056-1935 (LT)

PAGE 2 OF 2
PREPARED FOR rbikker1
ON 2025/08/29 AT 10:08:39

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
ER1576530	2024/05/14	NO ASSGN RENT GEN <i>REMARKS: ER1576529</i>		HORIZEN DEVELOPMENTS GP CORP.	ADJ HOLDINGS INC.	C
ER1636723	2025/07/08	CONSTRUCTION LIEN	\$190,392	SIERRA GENERAL CONTRACTING INC.		C
ER1645203	2025/08/28	CERTIFICATE		SIERRA GENERAL CONTRACTING INC.		

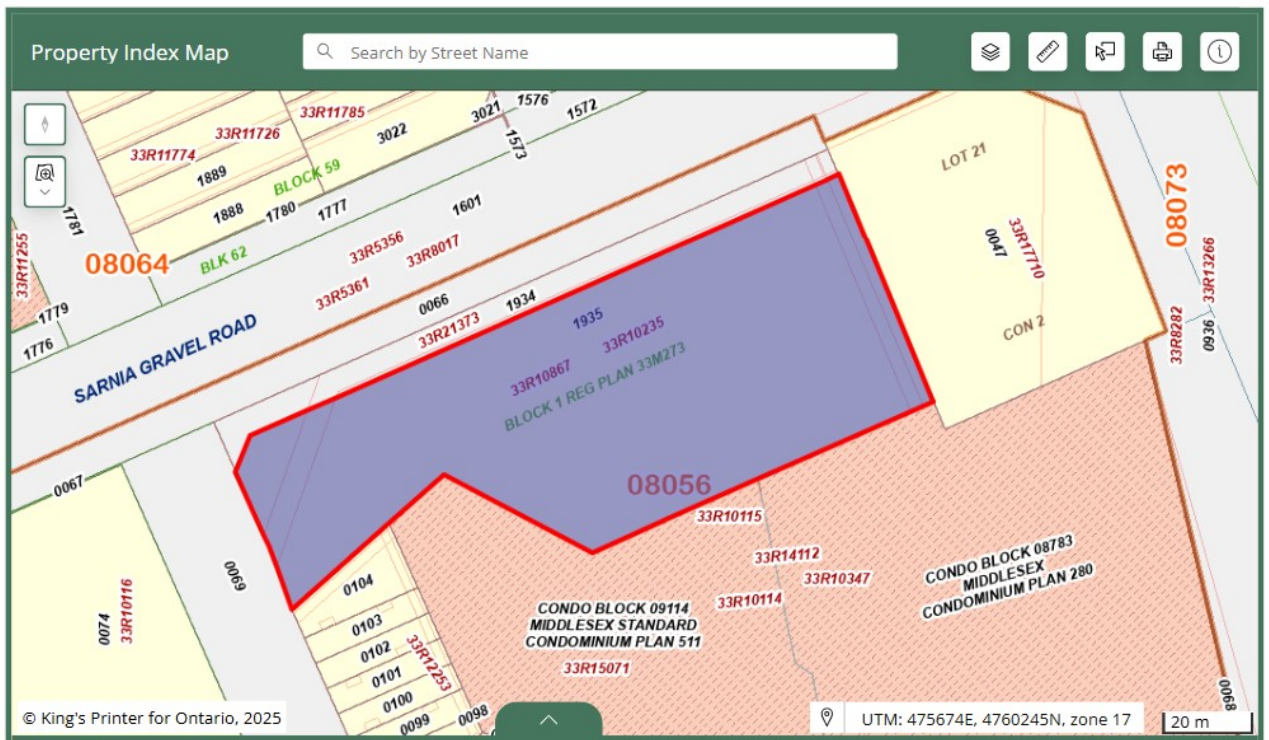
TAB D

- 08056-1935 ▾
- Adjacents
- Custom
- 08056-0060 ▶
- 08056-1934 ▶

Map: 08056-1935 (LT)

Adjacents Custom

Parcel Types: (LT) Land Titles - (R) Registry



© King's Printer for Ontario, 2025

UTM: 475674E, 4760245N, zone 17 20 m

Notes: Address may be unavailable or approximate, areas are approximate

PIN	Type	Address	Area	Map Status
08056-1935	Parcel	Address Not Found	6789m ²	

PIN - 080561935

Search



< Back 520 SARNIA RD, LONDON, ON N6G5A3

Available Reports: 9

Assessed Value Report

Current value assessment for the subject property.

\$10.00

Enter Order Reference (optional)

e.g. Reference description

Report Highlights ▼ Sample Report [🔗](#)

Add to Cart

Assessment Roll Report

Current year assessment roll details.

\$14.00

Enter Order Reference (optional)

e.g. Reference description

Report Highlights ▼ Sample Report [🔗](#)

Add to Cart

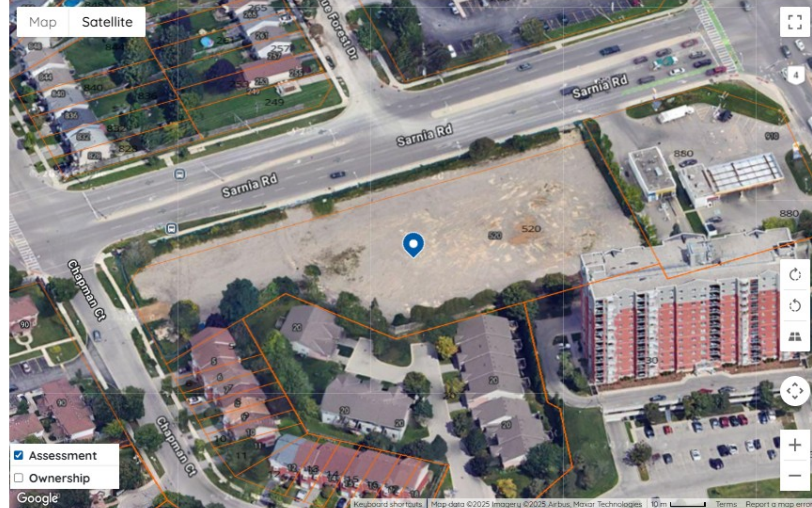
Building Permit Report

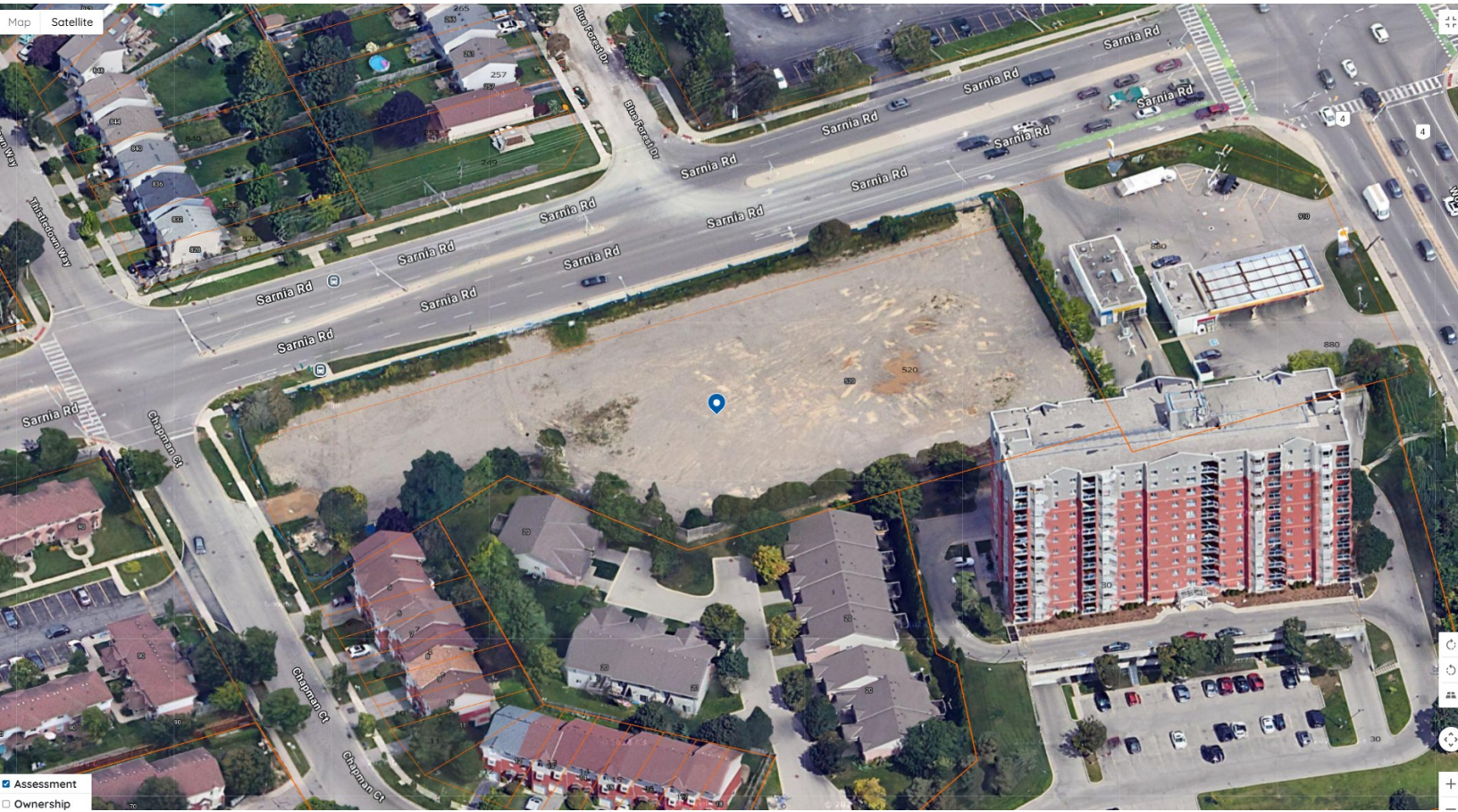
Building permit history for the subject property.

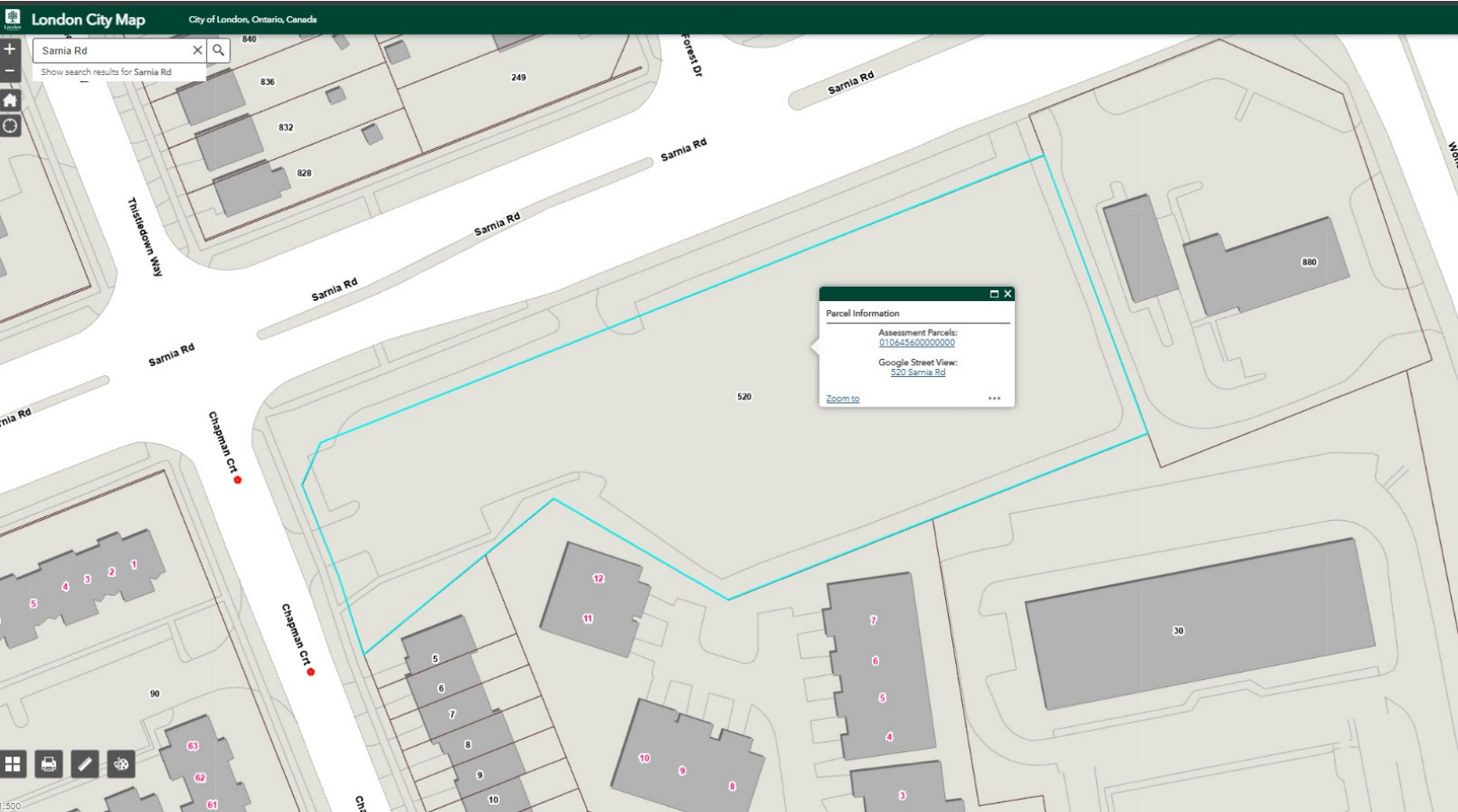
\$8.00

Enter Order Reference (optional)

e.g. Reference description







TAB E

Discharge Scheduled For:	01-Aug-25
Principal Facility 1:	\$ 2,800,000.00
Interest 12%, Jul 13, 2025 Pmt Returned	\$ 28,000.00
Interest 12%, Jul 13, 2025 - Aug 1, 2025	\$ 17,490.41
Renewal Fee at June 1, 2025, 2%	\$ 56,000.00
Default Penalty - 3 Months	\$ 84,000.00
Finance charge - Feb 2025 Interest Pmt Returned	\$ 250.00
Finance charge - Mar 2025 Interest Pmt Returned	\$ 250.00
Finance charge - Apr 2025 Interest Pmt Returned	\$ 250.00
Finance charge - Jul 2025 Interest Pmt Returned	\$ 250.00
Discharge Fee - Incl. HST	\$ 500.00
Funds Payable to ADJ Holdings Inc.	\$ 2,986,990.41
Per Diem Interest	\$ 982.02
Plus Applicable Legal Fees	TBD

TAB F



Mailing Address:
ADJ Holdings Inc.
2068 Piper Lane
London, ON N5V 3N6

May 8, 2024

Private and Confidential

Horizen Developments GP Corp
Attn: Scott Reid

Dear **Mr. Reid**,

Re: Commitment Letter

ADJ Holdings Inc. (the "**Lender**") is prepared to grant the loan described below to **Horizen Developments GP Corp** (the "**Borrower**") subject to the terms and conditions set out below and in the attached Schedules (collectively with this letter, the "**Agreement**"). This Agreement shall replace all previous agreements and any amendments related thereto between the Borrower and the Lender unless otherwise noted herein. If this Agreement meets with your satisfaction, please confirm your acceptance by returning a copy of this document, duly signed as required and initialed on each page including this one and the pages of each of the Schedules, which are an integral part of this Agreement, by **October 9 at 2:00pm EST**. The Lender reserves the right to cancel or amend this Agreement if it is received after this date.

This letter together with all Schedules that are attached and form an integral part of this Agreement, will confirm that your application for a **First mortgage** loan with a blanket 2nd mortgage (the "**Loan**") has been approved subject to the following conditions:

1. Borrower

Horizen Developments GP Corp

2. Guarantors

SF Square GP Corp., Scott Reid, James Cameron, RHH Rental Properties Ltd., Futurelands Ltd. & 34 Holdings Inc.

3. Properties (each a "Property")

520 Sarnia Rd, London, ON

BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181 SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915 SUBJECT TO AN EASEMENT AS IN ER1556067 CITY OF LONDON

^{DS}
SR

^{DS}
SR

Borrower's Initials _____

Guarantor's Initials _____

the Lender, or (ii) the Closing Date, on a date acceptable to the Lender, unless otherwise extended by the Lender in the Lender's sole discretion. Unless otherwise agreed to in writing by the Lender or as defined in a Schedule hereto, the Loan will be advanced in one installment, and any and all Advances are subject to compliance with all conditions and requirements provided herein. The Borrower acknowledges and agrees that an Advance may take place at any time, in the discretion of the Lender, on the closing date for the Advance, provided that no Advance shall occur until and unless the Lender is satisfied, in the Lender's sole discretion, that all conditions pertaining to the Advance are satisfied in full. The Borrower acknowledges and agrees that the Advance will be provided to the Lender's lawyer on the intended closing date for the Advance. The Borrower further acknowledges and agrees that, once the Advance has been provided to the Lender's lawyer: (1) the Borrower shall be required to pay interest from the date the Advance has been provided to the Lender's lawyer even if the Advance is not paid to or for the benefit of the Borrower until a later date, which interest shall be in the form of standby interest; (2) interest, including but not limited to standby interest, will continue to accrue and be payable by the Borrower until the Advance is repaid in full to the Lender, either by the Borrower pursuant to the terms of this Agreement or on the date the Advance is returned to the Lender by the Lender's lawyer in an exercise of the Lender's lawyer's discretion; and (3) even in the event that security is not yet registered in relation to the Advance, the Lender shall have all rights granted to it under this Agreement as if all security was properly and fully registered, including but not limited to an equitable mortgage over the Property. If applicable, each and every Advance shall be subject to holdbacks provided by the *Construction Act* (Ontario), or by any other applicable laws.

Repayment

For Facility 1: The Borrower shall pay the Lender interest-only payments each month commencing on the date being one month from the date of the initial Advance and continuing monthly thereafter.

The Borrower further acknowledges and agrees that interest will accrue at the Interest Rate both on the Principal Sum then outstanding and also on all unpaid interest. The Principal Sum, all unpaid interest and interest on all unpaid interest shall be payable by the Borrower to the Lender in full on the Balance Due Date. At the option of the Lender, in the Lender's sole discretion, the entire Principal Sum and all interest then owing shall, upon any Default of the Borrower continuing for a period of at least three (3) days unless a shorter period of time is provided herein, be immediately due and payable. Any payment made in addition to the sums payable herein shall be held by the Lender and applied to the Principal Sum on the Balance Due Date, and no interest shall be paid by the Lender thereon. Other than as provided above, the Borrower shall not make any payments towards Principal during the Term.

Security

The Borrower shall provide security for the Loan by way of a registered continuing 1st mortgage/charge against **520 Sarnia Rd, London, ON** and a blanket 2nd mortgage/charge against **180 Sherwood Forest Square, London, ON** in the full amount of the Loan, including any sums to be added to the Principal thereof in accordance with this Agreement (the "**Real Property Security**"). Standard Charge Terms No. 201604 or such other Standard Charge Terms as deemed appropriate by the Lender from time to time (the "**Standard Charge Terms**"), shall govern and apply to the Real Property Security, provided that if there is any discrepancy between any provisions in the said Standard

Borrower's Initials SR Guarantor's Initials SR

Charge Terms and this Agreement, the terms and provisions of this Agreement shall govern and apply. Notwithstanding the above if, as additional security, the Lender deems it necessary, the Real Property Security shall be registered in an amount being one hundred twenty (120%) percent of the full amount of the Loan.

A promissory note secured by a general security assignment in registrable form, all in the Lender's required form and acceptable to the Lender, in the full amount of the Loan against the all assets of the Borrower and Guarantors (excluding goods which are "consumer goods" within the meaning of the *Personal Property Security Act* (Ontario) (the "PPSA")), such security to always be a first priority charge on its subject matters, subject only to prior or equally ranking assignments and charges deemed acceptable by the Lender in writing, in the Lender's sole discretion. The general security agreement shall be registered under the PPSA in a form acceptable to the Lender.

If any or all of the Property is leased or the Borrower intends to lease any or all of the Property, a general assignment of rents and leases, in the Lender's standard form, to be registered on title to the Property, such security to always be a first priority assignment of rents and leases, subject only to prior to equally ranking assignments and charges deemed acceptable by the Lender in writing, in the Lender's sole discretion. The assignment of rents shall also be registered under the PPSA in a form acceptable to the Lender.

If the Loan is guaranteed as set out in section 2 herein, each Guarantor named shall provide to the Lender a fully executed guarantee for the entire amount of the Loan plus interest and expenses and an assignment and postponement of claims by each Guarantor relating to any claims against the Borrower or any Guarantor, prior to any funds being advanced in a form acceptable to the Lender. Any guarantee shall be noted on the Real Property Security, and shall also be registered under the PPSA in a form acceptable to the Lender.

The Borrower's lawyer shall obtain Title Insurance, in a form satisfactory to the Lender in the Lender's sole discretion, at the cost of the Borrower. All searches and registrations shall be completed by the Borrower's lawyer, at the cost of the Borrower, in strict compliance with the requirements of the Lender's lawyer.

The Borrower and each Guarantor shall, if a corporation, pledge to not repay any shareholder loans, redeem shares, pay out dividends or increase compensation to principals, shareholders, directors or officers of any Borrower or Guarantor until the Loan is repaid in full.

The Borrower and each Guarantor shall execute an indemnity agreement in the Lender's standard form.

Completion of the Loan contemplated by this Agreement is subject to the Borrower providing such other security, consent, certificates, opinions, insurance or other supporting documents as provided in the Schedules to this Agreement or as may be required by the Lender or the Lender's solicitor.

The above shall collectively be referred to as the "Security Documents".

Borrower's Initials SR Guarantor's Initials SR

6. Fees

All inspection fees, accounting fees, legal fees and disbursements and all other expenses incurred by the Lender with respect to this Loan and any future borrowing or Advances under this Loan are to be paid by Borrower, whether the Loan is completed or not and, unless otherwise provided herein, such fees, disbursements and expenses are to be deducted from the proceeds on the initial Advance or any future Advance hereunder, at the sole option of the Lender. Such fees, disbursements and expenses include, but are not limited to, title insurance, mortgage registration, the Loan Fee (as defined below), and the Lender's accounting and legal fees, plus any HST payable (collectively, the "Fees"). In the event that the Loan is not advanced for any reason whatsoever, the Borrower and the Guarantors, if any, shall be jointly and severally liable to pay to or for the benefit of the Lender any and all such Fees within ten (10) days of the earlier of the proposed initial advance (the "Closing Date") or the date the Lender became aware that this Agreement was not to be completed as provided herein, and interest thereon shall accrue at the Interest Rate provided herein with regards to the Loan. For clarity and without limiting the generality of the above, by entering into negotiations with the Lender, the Borrower and the Guarantors, if any, by that action hereby agree to be liable for any and all fees associated with the negotiation and preparation of this Agreement even if a final Agreement is not executed by the Borrower and the Guarantors, if any.

For Facility 1: Without limiting the generality of the foregoing, the Borrower shall pay a fee to the Lender for arranging the Loan in the amount of **2%** of the total principal Loan amount (the "Loan Fee"). The Loan Fee shall be deducted from the initial Advance, provided that, in the event that the Loan is not advanced for any reason whatsoever (other than a cause attributable solely to the Lender), the Loan Fee shall be payable to the Lender in the same manner as the other Fees, and shall not be subject to any cap or limit on the repayment of Fees. For clarity, the Borrower and all Guarantors acknowledge and agree that, if the Loan is not advanced as a result of the Borrower failing to satisfy the due diligence requirements of the Lender or failing to provide the Security Documents to the satisfaction of the Lender, the Borrower and Guarantors, if any, shall be liable to pay to or for the benefit of the Lender the Fees in full and without deduction, as a genuine pre-estimation of liquidated damages, and not as a penalty for non-performance, without prejudice to the right of the Lender to claim such further and other damages as it may sustain.

For Facility 2: Without limiting the generality of the foregoing, the Borrower shall pay a fee to the Lender for arranging the Loan in the amount of **\$175,000.00** (the "Loan Fee"). The Loan Fee shall be due at the earlier of the discharge or end of the Term for Facility 2., provided that, in the event that the Loan is not advanced for any reason whatsoever (other than a cause attributable solely to the Lender), the Loan Fee shall be payable to the Lender in the same manner as the other Fees, and shall not be subject to any cap or limit on the repayment of Fees. For clarity, the Borrower and all Guarantors acknowledge and agree that, if the Loan is not advanced as a result of the Borrower failing to satisfy the due diligence requirements of the Lender or failing to provide the Security Documents to the satisfaction of the Lender, the Borrower and Guarantors, if any, shall be liable to pay to or for the benefit of the Lender the Fees in full and without deduction, as a genuine pre-estimation of liquidated damages, and not as a penalty for non-performance, without prejudice to the right of the Lender to claim such further and other damages as it may sustain.

Broker Fee: In addition to the Lender's Fee, the borrower is responsible for paying a Broker's fee of **2%** of the total loan amount shall be paid to Foundry Mortgage Capital. This fee shall be due at the earlier of the discharge or the end of the term.

A non-refundable **Standby Fee** in the amount of **\$20,000.00**, deemed earned upon the earlier of (i) the Borrower signing this Agreement; and (ii) the Borrower paying the Standby Fee, shall be payable by the Borrower to the Lender within twenty-four (24) hours of signing this Agreement. In

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the event that the Loan is successfully advanced, the Standby Fee shall be credited towards the lender fee.

7. Conditions

This Agreement, and any Loan or Advance contemplated hereunder, are conditional on the Borrower and Guarantor, if any, fully satisfying the conditions and requirements provided in this Agreement to the satisfaction of the Lender and the Lender's lawyer. This Agreement, and any Loan or Advance contemplated herein, shall also be conditional on the Borrower and each Guarantor satisfying the Lender's anti-money laundering and "know your client" requirements. Failing to complete the transactions completed herein on the basis of not satisfying said conditions are requirements shall be deemed to be caused solely by the Borrower. The terms and conditions contained in the Schedules form an integral part of this Agreement as if they were incorporated into it directly. Title to the Property must only be registered in the name of the Borrower. Notwithstanding any other provision of this Agreement, the Borrower and each Guarantor acknowledges and agrees that the obligation to pay Fees, including but not limited to the Loan Fee and the Standby Fee, shall survive the termination of this Agreement, and shall also survive the completion of this Agreement and any transactions contemplated herein. The Lender may on demand require immediate payment of all amounts outstanding or accrued in connection with this Agreement. The Lender may at any time for any reason and without notice, cancel any unadvanced portion of the Loan. The Lender shall have no obligation to advance funds unless and until all of the Lender's terms and conditions have been deemed by the Lender to be complete, true and otherwise in all respects satisfactory, in the Lender's sole discretion. Time is of the essence in this Commitment.

8. General

This Agreement replaces any preceding verbal and/or written agreement between the parties, if any, concerning the loan transaction stipulated herein. By signing this Agreement you warrant that all information which you furnish is true and correct.

The Lender shall subsequently see to the preparation of the documents related to the Security Documents and Mortgages stipulated in this Agreement, which must be perfected to the satisfaction of the Lender and the Lender's solicitors prior to any Advance. By accepting this Agreement, the Borrower confirms that all the financial and other documents and information provided to the Lender to obtain this Agreement are accurate and complete. If they are inaccurate or incomplete, this Agreement may be canceled at the Lender's discretion, and the Borrower and all Guarantors shall remain fully liable for all Fees.

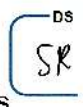
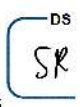
The terms and conditions contained in the attached Schedules are incorporated into and form an integral part of this Agreement. Unless otherwise provided in an attached Schedule, in the event of a conflict between the terms of this letter and the terms of the Schedules, the terms of this letter shall prevail.

Yours very truly,



Andrew Charabin, ADJ Holdings Inc.

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Borrower's Acceptance

I (We) the undersigned Borrower or duly authorized representative(s) of the Borrower, in the case of a body corporate, acknowledge that I/we have reviewed the terms of this Agreement, including all Schedules attached hereto, and accept all the terms and conditions set out herein.

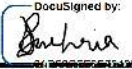
Signed at Guelph this 9th day of May, 202024.


Per: 
Name: Scott REid
Title: President
I/We have authority to bind the Corporation
Horizen Developments GP Corp

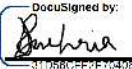
Acceptance of Guarantors

The guarantor or guarantors mentioned herein hereby acknowledge(s) having reviewed the terms of this Agreement, including all Schedules attached hereto, and agree to all terms and conditions set out herein. Consequently, the guarantor or guarantors undertake to sign all documents in order to give full force and effect to its (their) commitments as joint and several guarantors and as principal debtors, as contemplated herein.



Signed at Guelph this 9 day of May, 2024.


Witness


SF Square GP Corp



Witness

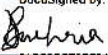

Scott Reid

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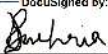
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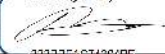
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James Cameron

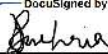
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RHH Rental Properties Ltd.


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
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Futurelands Ltd.

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Witness

DocuSigned by:

34 Holdings Inc.

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Guarantor's Initials 

Schedule "A" Special Provisions

The following conditions and provisions, if any, shall be and form part of the Agreement, and in the event of a conflict between the terms of this Schedule and any other terms contained in the Agreement, including any Schedule thereto, the terms of this Schedule shall prevail. The Borrower acknowledges that satisfying the conditions and provisions below, to the satisfaction of the Lender in an exercise of the Lender's sole discretion, is a condition to completing the transactions contemplated in the Agreement.

- Inspection of the Properties
- Review of Guarantor's Credit report and Background Check
- Review of Guarantor's personal net worth, Previous year's NOA
- Title and Security (pulled by Lawyers prior to funding)
- Property Taxes paid up to date
- Review of COI for 520 Samia Rd and 180 Sherwood (Received)
- Review of Commitment Letters for 520 Samia Rd and 180 Sherwood Square
- Appraisals for 520 Sarnia Rd and 180 Sherwood Square
- Review of MCAP mortgage of 180 Sherwood Square (current security not to exceed \$11,800,000.00)
- Review of the most recent year's financial Statements for 180 Sherwood Square
- Phase 1 Environmental reports
- Review of Conservation report
- Proof of insurance (lender to be named)
- Articles of Incorporation
- Current balance sheet for the corporation (n/a)
- Proof of company's GST/HST return for last fiscal year, along with past years personal Notice of Assessment (n/a)
- And any additional report requested by the Lender as their sole and absolute discretion

Additional or follow-up information may be requested for review after the Due Diligence Site Inspection.

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**Schedule "B"
Advances**

Subject to deductions, the Full Loan Amount shall be advanced to the Borrower in 1 Advance on closing.

<u>Advance</u>	<u>Principal Sum to be Advanced</u>	<u>Date or Event</u>
Initial Advance	\$5,000,000.00	Upon closing

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Schedule "C"
General Terms and Conditions

1. Amortization Schedule and Cost of Borrowing

1.1 Attached Schedules

If applicable, the attached Amortization Schedule as approved by the Lender shall form part of this Agreement. If applicable, the attached Cost of Borrowing statement as approved by the Lender, and provided to the Borrower, shall form part of this Agreement.

2. Standard Charge Terms

2.1 Standard Charge Terms

The Borrower and each Guarantor acknowledge and agree that Standard Charge Terms No. 201923, or such other Standard Charge Terms as deemed appropriate by the Lender from time to time, shall govern and apply to the Loan, and are incorporated by reference into this Agreement (subject to the conflict and inconsistency provisions as provided by paragraph 4.5 of this Schedule). Unless otherwise defined in this Agreement, including any Schedule thereto, all words shall have the meanings ascribed to them in the Standard Charge Terms. By signing this Agreement the Borrower and each Guarantor acknowledge receipt of the Standard Charge Terms.

3. Fees

3.1 Security for Fees

In consideration of the Lender entering into this Agreement, the Borrower and each Guarantor hereby acknowledge, authorize and direct the Lender and its lawyer to register, in the Lender's sole discretion, notice of this Agreement on title to the Property by way of a notice under Section 71 of the *Land Titles Act* (Ontario), a caution under that same Act, or both. If, at the time this Agreement is executed, the Borrower is not the registered owner of the Property, the Borrower and each Guarantor hereby acknowledge, authorize and direct the Lender and its lawyer to register, in the Lender's sole discretion, notice of this Agreement in the same manner as noted above on title to: (i) any and/or all other real property in the Province of Ontario owned by the Borrower; (ii) any and/or all real property in the Province of Ontario owned by any Guarantor; and/or (iii) the Property upon its transfer to the Borrower. The Borrower and each Guarantor hereby acknowledge and agree that by entering into this Agreement the Lender has a valid and existing estate, right, interest or equity in the land on which any notice is registered, and that this Agreement is an agreement that provides for a charge to secure the payment of a debt or the performance of an obligation. The Lender agrees to apply to delete any notice registered pursuant to this provision upon the earlier of (i) registration of the Real Property Security (if any); and (ii) if the Real Property Security is not registered on title to the Property, the payment in full of all Fees. The costs associated with the registrations contemplated hereunder and with the rights granted to the Lender pursuant to this paragraph shall be added to and form part of the Fees.

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3.2 Non-Payment on Maturity / Due Date

In the event of any non-payment by the Borrower of any sum payable to the Lender owing on the due/maturity date of the Loan including the outstanding Loan amount, the Borrower shall not require the Lender to accept payment of the said amounts without an amount equal to three (3) months' interest on the then outstanding Loan amount. At the Lender's sole discretion, the Lender may allow the loan to be renewed with a 2% renewal fee due to the Lender and at an interest rate of no less than the previous year.

3.3 Non-Payment of Regular Payments

In the event of any default by the Borrower, the Borrower shall pay, as an administrative fee and not as a penalty, an amount equal to three (3) months' interest on the then outstanding Loan amount for Facility 1. In the event of Facility 2 not paying out by the end of the term, the Lender at its discretion may extend the loan month to month at an annual interest rate of 24% compounded monthly.

3.4 Transfer Without Consent

In the event of the transfer, sale or other change of ownership of the Properties secured by the Real Property Security, the full balance of the Loan outstanding (together with any interest thereon and any costs thereunder) shall, at the option of the Lender, become immediately due and payable together with three (3) months' interest.

3.5 Insurance Requirements

The Borrower shall ensure that fire insurance coverage with respect to the Properties shall be paid in full for the entire term of the Loan, which fire insurance coverage shall not be cancelled or switched to another insurer without the prior written consent of the Lender. Fire insurance coverage must be in place prior to any advance of the Loan and must include full replacement cost for the building and improvements with loss payable to the Lender. Failure by the Borrower to obtain and maintain fire insurance coverage as set out herein shall constitute a default under this Agreement and the Real Property Security such that the full balance of the Loan outstanding (together with any interest thereon and any cost thereunder) shall, at the option of the Lender, become immediately due and payable. The Lender shall also be permitted to charge an administrative fee of Five Hundred Dollars (\$500.00) plus any costs incurred by the Lender to place insurance for the Lender's benefit, which fees may be added to the principle amount of the Loan at the option of the Lender.

3.6 Inspection on Default

The Lender may itself or by its agent, in the event of a default by the Borrower under this Agreement or the Real Property Security, enter upon the Properties and inspect the same and the reasonable costs of such inspection including without limitation an inspection fee of One Thousand (\$1,000.00) Dollars shall be payable by the Borrower to the Lender and may be added to the principal amount of the Loan at the option of the Lender.

3.7 NSF Fees

Any service charge or other charges assessed for any cheque or moneys returned for insufficient funds or for any other reason shall be the responsibility of the Borrower, and the Borrower shall pay to the Lender the sum of Two Hundred and Fifty (\$250.00) Dollars for each instance of such

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a returned cheque or moneys, which sum may be added to the principal amount of the Loan at the option of the Lender.

3.8 **Communication Fees**

In the event that the Lender is required to correspond with, receive mail from or speak with the Borrower, the Borrower's solicitor, the Lender's solicitor or the Borrower's insurance company or insurance agent, the applicable municipal tax office, the Lender's mortgage broker, the Borrower's mortgage broker, or otherwise in regard to the Loan, including without limitation in connection with the deliverance of a cheque for payment which is dishonored, the cancellation or reinstatement of fire insurance, a late mortgage payment or otherwise, then the Lender shall be entitled to receive from the Borrower, in addition to all other charges, costs and legal fees, the sum of Five Hundred (\$500.00) Dollars for each and every such written communication, which sums may be added to the principal amount of the Mortgage at the option of the Lender.

3.9 **Default Management Fees**

In addition to any other Fees set out, whether in this Schedule or otherwise, upon any event of default the Lender shall be entitled to charge to the Borrower all fees and expenses permissible by law, including but not limited to the following fees, for management and administration of said default and the Properties:

Default Proceedings:	Payment for each action or proceeding instituted	\$2,500
Mortgage Statements:	Minimum fee for preparation of each statement by the Lender	\$500
Possession:	For attendance to take possession following default by the Lender	\$2,500
Maintenance:	For administering maintenance and security of the property in Lender's possession, per day	\$250

The Lender shall also be permitted to charge a default administration fee equal to 5% of the balance of the Loan then outstanding. All sums provided herein may, at the option of the Lender, be added to the principal amount of the Loan.

4. **Miscellaneous**

4.1 **Legal Representation**

Unless otherwise advised by the Lender, the Lender's lawyer and legal counsel for all matters related to this Agreement, to the Loan Agreement, to the Security Documents and to the Mortgage shall be:

JAMES ELSLEY
McKenzie Lake Lawyers LLP
Partner

Tel: 519-672-5666 ext. 7350 | Fax: 519-672-2674 | TF: 1-800-261-4844
Email: jim.elsley@mckenzielake.com
140 Fullarton Street, Suite 1800, London, ON N6A 5P2
www.mckenzielake.com

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The Borrower hereby consents to McKenzie Lake Lawyers LLP acting on behalf of the Lender with regards to same. The Borrower acknowledges and agrees to retain its own legal counsel in relation to this matter, at its own expense, and further acknowledges that the McKenzie Lake Lawyers LLP may be prevented from acting for the Borrower unless granted the consent of the Lender and only then if permitted to do so in accordance with its professional obligations. The Borrower covenants and agrees to provide to the Lender and McKenzie Lake Lawyers LLP the contact information for the Borrower's legal counsel as soon as possible after retaining same, and acknowledges that failure to do so in a timely fashion may prevent the Lender from extending the Loan described herein. The Borrower acknowledges having been advised by the Lender to have this Agreement and all related documents reviewed by the Borrower's legal counsel prior to the Borrower signing this Agreement, and that the Borrower has been provided sufficient time and ability to do so.

4.2 Statements and Reports

All statements, reports, certificates, opinions, appraisals and other documents or information required to be furnished to the Lender by the Borrower under this Agreement shall be supplied by the Borrower without any cost or expense to the Lender.

4.3 Approvals

Where in this Agreement or any other Loan Document any matter is subject to the consent or approval of the Lender, the Lender will make a determination or assessment of the materiality of any event or circumstance, such consent, approval, determination or assessment shall be made in the sole and unfettered discretion of the Lender unless otherwise expressly provided herein or therein. The Borrower is hereby notified, and hereby consents to and agrees, that a consumer report containing credit and/or personal information may be referred to by the Lender in connection with this Agreement.

4.4 Severability

If any term, covenant, obligation or agreement contained in this Agreement, or the application of any such term, covenant, obligation or agreement to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability and each term, covenant, obligation or agreement contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law. This Agreement shall be effective to create an interest in any of the Property only if the Borrower complies with the subdivision control and part lot provisions of the *Planning Act* (Ontario), and, in the event that the Borrower fails to do so at any time, such event shall constitute an Event of Default.

4.5 Conflict

In the event that there is any conflict or inconsistency between the provisions contained in this Agreement, including all Schedules thereto, and the provisions contained in any other Loan Document, such that the conflicting or inconsistent provisions cannot reasonably co-exist, then the provisions of this Agreement shall govern and shall override the provisions contained in such other Loan Document. For greater certainty, the existence of a particular representation, warranty, covenant or other provision in any Loan Document which is not contained in this Agreement shall not be deemed to be a conflict or inconsistency, and that particular representation, warranty, covenant or other provision shall continue to apply.

In the event that there is any conflict or inconsistency between the provisions of this Schedule and the remainder of this Agreement or any other Schedule thereto, such that the conflicting or

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inconsistent provisions cannot reasonably co-exist, then the provisions contained elsewhere in this Agreement shall govern and shall override the provisions contained in this Schedule. The existence of a particular representation, warranty, covenant or other provisions in any other part of this Schedule which is not contained in any other part of this Agreement or any other Schedule thereto shall not be deemed to be a conflict or inconsistency, and that particular representation, warranty, covenant or other provision shall continue to apply.

For the purposes of this paragraph and for the purposes of resolving any conflict or inconsistency, notwithstanding the incorporation of the provisions of the Standard Charge Terms into this Agreement pursuant to paragraph 2.1 above, if there is any discrepancy between any provisions in the Standard Charge Terms and this Agreement, including all Schedules thereto, the terms and provisions of this Agreement, save and except the provisions of the Standard Charge Terms incorporated by reference into this Agreement, shall govern and apply.



4.6 *Miscellaneous*

Time is of the essence of this Agreement and any forbearance by the Lender of the strict application of this provision shall not operate as a continuing or subsequent forbearance. The Borrower shall from time to time and at all times hereafter, upon every reasonable request of the Lender, make, do, execute, and deliver or cause to be made, done, executed and delivered all such further acts, deeds, assurances and things as may be necessary in the opinion of the Lender, acting reasonably, for implementing and carrying out the true intent and meaning of this Agreement. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, warranties, covenants or undertakings made by the Lender other than those set forth in the Loan Agreement or in the Security Documents. No amendment, modification, or termination of the Loan Agreement or the Security Documents shall be effective unless made in writing and signed by the party intended to be bound thereby. This Agreement shall be for the sole benefit of the Lender and the Borrower, and is not for the benefit of any other person. The provisions contained in this Agreement shall not create or be deemed to create any relationship as between the Borrower and the Lender other than that of borrower and lender or as between a Guarantor and the Lender other than that of guarantor and lender. Unless otherwise expressly stated, all monetary amounts set out in this Agreement refer to the lawful money of Canada. Where the context so requires, words importing the singular include the plural, and vice versa, and words importing gender include the masculine, feminine, and neuter genders. The headings of all articles, sections, and paragraphs herein are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

4.7 *Amendments and Waivers*

No amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Lender. No failure or delay, on the part of the Lender, in exercising any right or power hereunder or under any Security Documents or any other Loan Document delivered to the Lender shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor. Any amendments requested by the Borrower will require review and agreement by the Lender and its counsel. Costs related to this review will be for the Borrower's account. This Agreement supersedes and replaces all prior discussions, letters and credit agreements (if any) describing the terms and conditions of any credit facilities established by the Lender in favour of the Borrower.

4.8 *Joint and Several Liability*

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Where more than one person is liable as borrower or guarantor, if applicable for any obligation under this Agreement, then the liability of each such person for such obligation is joint and several with each other such person. Each Guarantor shall be jointly and severally liable with each Borrower, and each Guarantor shall also be fully liable in the same manner as if each Guarantor was the principal debtor hereunder. While in no way limiting the applicability of any other provisions therein, the provisions contained within the Standard Charge Terms pertaining to any Guarantor are explicitly incorporated into this Agreement.

4.9 Confidential

The Borrower shall keep the terms of this Agreement, including specifically the Interest Rate, strictly confidential and will not disclose the terms of this Agreement to any person without the Lender's prior consent. The Borrower may, however, disclose the terms of this Agreement to its legal, banking, accounting and business advisors on a need to know basis.

4.10 Counterparts; Execution

This Agreement may be executed in any number of counterparts or by facsimile or PDF electronic counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Each party executing this Agreement by facsimile or PDF electronic counterpart shall provide two originally executed counterparts to each of the other parties within ten (10) business days of its delivery of its facsimile or PDF electronic counterpart, but any failure or delay in so doing shall not derogate in any way from the sufficiency or effectiveness of that party having electronically transmitted its executed copy.

4.11 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The Borrower irrevocably submits and attorns to the non-exclusive jurisdiction of the courts such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of such court.

4.12 Syndication and Mortgage Administration

The Lender may, at the Lender's sole option, syndicate the Loan, in which event the Lender may hold the Security Documents in trust for members of the syndicate or may require the Security Documents be registered in favour of one or more persons which may or may not include the Lender, or both. The Lender may also appoint a servicer, custodian, nominee and/or administrator of any or all of the Loan from time to time, which servicer, custodian, nominee and/or administrator may exercise all rights and remedies that may be made or taken by the Lender, or by any member of a syndicate, on behalf of and as agent of the Lender or of any member of a syndicate.

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TAB G

Properties

PIN 08056 - 1935 LT *Interest/Estate* Fee Simple
Description BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON
Address 520 SARNIA ROAD
 LONDON

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 HORIZEN DEVELOPMENTS GP CORP.
Address for Service 1515 Gordon Street, Suite 203
 Guelph, ON N1L 1C9

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name ADJ HOLDINGS INC.
Address for Service 2068 Piper Lane
 London, ON N5V 3N6

Statements

Schedule: See Schedules
 The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal \$6,000,000.00 *Currency* CDN
Calculation Period Monthly, not in advance
Balance Due Date ON DEMAND
Interest Rate 12% per annum
Payments
Interest Adjustment Date
Payment Date Please see Promissory Note dated May 14, 2024
First Payment Date
Last Payment Date
Standard Charge Terms 201604
Insurance Amount Full insurable value
Guarantor Please see Promissory Note dated May 14, 2024

Signed By

Daija Alexis Stam-Haldenby 140 Fullarton Street, Suite 1800 acting for Signed 2024 05 14
 London
 N6A 5P2
 Chargor(s)

Tel 519-672-5666
 Fax 519-672-2674

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

Submitted By

MCKENZIE LAKE LAWYERS LLP 140 Fullarton Street, Suite 1800 2024 05 14
 London
 N6A 5P2

Tel 519-672-5666
 Fax 519-672-2674

Fees/Taxes/Payment

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

File Number

Chargee Client File Number : 119074

SCHEDULE ADDITIONAL PROVISIONS

When used herein, the term “**Charge**” means the collective reference to the charge prepared in electronic format and registered electronically pursuant to Part III of the *Land Registration Reform Act* (Ontario), Standard Charge Terms 201604, and this Schedule.

1. General Provisions.

- (a) Horizen Developments LP (the “**LP**”) and Horizen Developments GP Corp. (the “**Trustee**” and collectively with the LP, the “**Borrowers**”) acknowledges that this first-ranking charge/mortgage in favour of ADJ Holdings Inc. (the “**Lender**”) will secure the principal sum of \$6,000,000.00.
- (b) The Lender may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favor of the Lender pursuant to the terms of the Charge and the Lender may pay or satisfy any lien, charge, or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Lender. Provided, and it is hereby further agreed that all amounts paid by the Lender as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Lender, and all powers in the Charge conferred shall become exercisable.
- (c) The Charge is a collateral mortgage and secures certain obligations and indebtedness arising from a commitment letter dated May 8, 2024 among the Chargee, as lender, the Chargor, as borrower, and SF Square LP, SF Square GP Corp., in both its capacity as general partner of SF Square LP and in its own capacity, RHH Rental Properties Ltd., Futurelands Ltd., 34 Holdings Inc., Scott Reid, and James Cameron as guarantors (the “**Commitment Letter**”) together with promissory notes between the Lender and Borrower dated May 14, 2024 (the “**Promissory Notes**”) delivered pursuant to the Commitment Letter.
- (d) The Borrowers covenant and agree that it shall not further mortgage, charge or encumber the Property or permit same without the express prior written consent of the Lender, which consent may be arbitrarily withheld.
- (e) If there is any conflict or inconsistency between any provision of this Schedule or the provisions contained in Standard Charge Terms 201604, all of which form a part of this Charge, the provisions of this Schedule shall prevail to the extent of any such conflict or inconsistency. This Schedule is intended to supplement and not derogate from the provisions contained in Standard Charge Terms 201604 and the existence of additional terms, conditions or provisions (including any rights,

remedies, representations and warranties) in this Schedule shall not be construed or deemed as being in conflict with such other provisions.

2. **Default.**

Any of the following events shall constitute a default under this Charge and upon the occurrence thereof the Lender shall have all rights and remedies available to it at law and in accordance with the provisions of this Charge:

- (a) the transfer, assignment or conveyance of all or any part of the registered or all or a controlling part of beneficial interest in the Property secured by this Charge without the express prior written consent of the Lender;
- (b) any default by the Borrowers in payment of any amount due and payable under the Commitment Letter or the Promissory Notes, or any instrument, agreement, or other document delivered in connection with the Commitment Letter or the Promissory Notes, which default is not cured within 3 business days following written notice of such default to the Borrowers;
- (c) the Borrowers default in observing or performing any other covenant, condition or obligation under the Commitment Letter or the Promissory Notes, this Charge, or any instrument, agreement, or other document delivered in connection with the Commitment Letter or the Promissory Notes, which default is not cured within 3 business days following written notice of such default to the Borrowers;
- (d) any failure by the Borrowers to maintain insurance on the Property;
- (e) the Borrowers become insolvent, makes an assignment in bankruptcy, makes an assignment for the benefit of creditors generally or makes any proposal to or seeks relief from its creditors generally under any bankruptcy, insolvency, reorganization, liquidation, moratorium, receivership or other similar laws affecting or relating to creditor's rights, any order, declaration or judgement of any court is made adjudging or declaring the Borrowers bankrupt or insolvent or ordering the liquidation, winding-up, reorganization or arrangement of the Borrowers or granting the Borrowers protection from its creditors or appointing any trustee, receiver, receiver and manager, sequestrator or other person with similar powers in respect of the Borrowers or all or any substantial part of its assets, or any proceedings are commenced by or against the Borrowers seeking any such order, declaration or judgement and same is not being challenged by the Borrowers;
- (f) any writ of execution, distress, attachment or other similar process is issued or levied against the Borrowers or all or any substantial part of its assets, or any judgement or order is made against the Borrowers by a court of competent jurisdiction and, in the opinion of the Lender, such process, judgement or order would materially and adversely affect the ability of the Borrowers to fulfil its obligations to the Lender under this Charge; or
- (g) any part of the Property is condemned or expropriated and, in the opinion of the Lender in respect of any expropriation, such expropriation materially impairs the value of the Property, the validity, enforceability or priority of the security of this Charge, or the ability of the Borrowers to fulfil its obligations to the Lender in respect of this Charge.

3. Remedies.

Notwithstanding anything to the contrary contained in Standard Charge Terms 201604 and in addition to any rights and remedies contained therein, the following rights and remedies shall apply to this Charge.

- (a) Upon the occurrence of a default under this Charge, the Lender may realize upon the Property and enforce its rights by:
 - (i) entry into possession of the Property by any method permitted by law;
 - (ii) sale, grant of options to purchase, or lease of all or any part of the Property;
 - (iii) holding, storing and keeping idle or operating all or any part of the Property;
 - (iv) collection of any proceeds arising in respect of the Property;
 - (v) collection, realization or sale of, or other dealing with, the accounts in respect of the Property;
 - (vi) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver (which term as used in this Charge includes a receiver and manager) of all or any part of the Property;
 - (vii) institution of proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Property;
 - (viii) filing of proofs of claim and other documents to establish claims to the Property in any proceeding relating to the Borrowers;
 - (ix) appointment by instrument in writing of a receiver or agent of all or any part of the Property and removal or replacement from time to time of any such receiver or agent; and
 - (x) any other remedy or proceeding authorized or permitted in this Charge or otherwise by law or equity.

4. Additional Rights of Lender.

In addition to the rights of the Lender set forth in paragraph 3, above, upon the occurrence of a default under this Charge, beyond any applicable cure period, the Lender may:

- (a) repair, process, modify, complete or otherwise deal with the Property, and prepare for the disposition of the Property, whether on the premises of the Borrowers or otherwise;
- (b) pay any liability secured by any lien against any Property (the Borrowers will immediately, on demand, reimburse the Lender for all such payments);
- (c) carry on all or any part of the business of the Borrowers and, to the exclusion of all others including the Borrowers, enter upon, occupy and use all or any of the premises, buildings and other property of or used by the Borrowers for such time

as the Lender sees fit, free of charge, and the Lender is not liable to the Borrowers for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages incurred in connection with or resulting from such action;

- (d) borrow for the purpose of carrying on the business of the Borrowers or for the maintenance, preservation or protection of the Property and mortgage, charge or grant a security interest in the Property, whether or not in priority to this Charge, to secure repayment;
- (e) commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Property, and give good and valid receipts and discharges and compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to the Borrowers; and
- (f) at any public sale, and to the extent permitted by law on any private sale, bid for and purchase any or all of the Property offered for sale and upon compliance with the terms of such sale, hold, retain and dispose of such Property without any further accountability to the Lender or any other person with respect to such holding, retention or disposition, except as required by law. In any such sale to the Lender, the Lender may, for the purpose of making payment for all or any part of the Property so purchased, use any claim for the principal, interest and other amounts owing under this Charge then due and payable to it as a credit against the purchase price.

5. Exercise of Remedies.

The remedies under paragraphs 3 and 4 above may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Lender however arising or created. The Lender is not bound to exercise any right or remedy and the exercise of any right or remedy is without prejudice to any other rights of the Lender including the right to claim for any deficiency. The taking of any action or proceeding or refraining from so doing, or any other dealings with any other security for the monies secured by this Charge shall not release or affect this Charge.

6. Receiver's Powers.

- (a) Any receiver appointed by the Lender is vested with the rights and remedies which could have been exercised by the Lender in respect of the Borrowers or the Property and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, any replacement and any remuneration are within the sole and unfettered discretion of the Lender.
- (b) Any receiver appointed by the Lender will act as agent for the Lender for the purposes of taking possession of the Property, but otherwise and for all other purposes (except as provided below), as agent for the Borrowers. The receiver may sell, lease, or otherwise dispose of the Property as agent for the Borrowers or as agent for the Lender as the Lender may determine in its discretion. The Borrowers agree to ratify and confirm all actions of the receiver acting as agent for the Borrowers, and to release and indemnify the receiver in respect of all such actions.

- (c) The Lender, in appointing or refraining from appointing any receiver for the Borrowers, does not incur liability to the receiver, the Borrowers or otherwise and is not responsible for any misconduct or negligence of such receiver.
- (d) All monies from time to time received by the receiver may be applied as follows (i) first, in discharge of all operating expenses and other outgoings affecting the Property, (ii) second, in keeping in good standing all charges and liens on the Property having priority over this Charge, (iii) third, in payment of the remuneration and disbursements of the receiver, (iv) fourth, in payment to the Lender of the moneys payable hereunder, and (v) the balance, if any, shall be paid to the Borrowers or as a court of competent jurisdiction may otherwise direct.

7. Appointment of Attorney.

- (a) The Borrowers hereby irrevocably constitutes and appoints the Lender (and any officer of the Lender) the true and lawful attorney of the Borrowers, exercisable upon the occurrence of a default under this Charge. As the attorney of the Borrowers, the Lender has the power to exercise for and in the name of the Borrower with full power of substitution, whenever this Charge becomes enforceable, any of the Borrowers' right (including the right of disposal), title and interest in and to the Property including the execution, endorsement, delivery and transfer of the Property to the Lender, its nominees or transferees, and the Lender and its nominees or transferees are hereby empowered to exercise all rights and powers and to perform all acts of ownership with respect to the Property to the same extent as the Borrowers might do. This power of attorney is irrevocable, is coupled with an interest, has been given for valuable consideration (the receipt and adequacy of which is acknowledged) and survives, and does not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Borrowers. This power of attorney extends to and is binding upon the Borrowers' heirs, legal representative, successors and permitted assigns.

8. Dealing with the Property.

- (a) The Lender may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrowers and with other persons, sureties or securities as it may see fit without prejudice to the obligations and liability of the Borrowers or the rights of the Lender in respect of the Property.
- (b) The Lender is not (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Property, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Property or for the purpose of preserving any rights of any persons in respect of the Property, (iii) responsible for any loss occasioned by any sale or other dealing with the Property or by the retention of or failure to sell or otherwise deal with the Property, or (iv) bound to protect the Property from depreciating in value or becoming worthless.
- (c) The Lender may, after this Charge is enforceable, (i) notify any person obligated on an account or any obligor on an instrument to make payments to the Lender, whether or not the Borrowers were previously making collections on such

accounts, instruments, and (ii) assume control of any proceeds arising from the Property.

9. Standards of Sale.

- (a) Without prejudice to the ability of the Lender to dispose of the Property in any manner which is commercially reasonable, the Borrowers acknowledge that:
 - (i) the Property may be disposed of in whole or in part;
 - (ii) the Property may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;
 - (iii) any assignee of the Property may be a customer of the Lender;
 - (iv) any sale conducted by the Lender will be at such time and place, on such notice and in accordance with such procedures as the Lender, in its sole discretion, may deem advantageous; and
 - (v) a disposition of the Property may be on such terms and conditions as to credit or otherwise as the Lender, in its sole discretion, deems advantageous.

TAB H

Properties

PIN 08056 - 1935 LT
Description BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON
Address 520 SARNIA ROAD
 LONDON

Applicant(s)

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

Name HORIZEN DEVELOPMENTS GP CORP.
Address for Service 1515 Gordon Street, Suite 203
 Guelph, ON N1L 1C9

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Party To(s)	Capacity	Share
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<i>Name</i>	ADJ HOLDINGS INC.
<i>Address for Service</i>	2068 Piper Lane London, ON N5V 3N6

Statements

The applicant applies for the entry of a notice of general assignment of rents.
 This notice may be deleted by the Land Registrar when the registered instrument, ER1576529 registered on 2024/05/14 to which this notice relates is deleted
 Schedule: See Schedules

Signed By

Daija Alexis Stam-Haldenby	140 Fullarton Street, Suite 1800 London N6A 5P2	acting for Applicant(s)	Signed	2024 05 14
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Tel 519-672-5666
 Fax 519-672-2674

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

Daija Alexis Stam-Haldenby	140 Fullarton Street, Suite 1800 London N6A 5P2	acting for Party To(s)	Signed	2024 05 14
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Tel 519-672-5666
 Fax 519-672-2674

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

Submitted By

MCKENZIE LAKE LAWYERS LLP	140 Fullarton Street, Suite 1800 London N6A 5P2			2024 05 14
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Tel 519-672-5666
 Fax 519-672-2674

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$69.95
<i>Total Paid</i>	\$69.95

File Number

Party To Client File Number : 119074

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS AGREEMENT made the 14 day of May, 2024.

BETWEEN:

HORIZEN DEVELOPMENTS GP CORP. as general partner for the partners of HORIZEN DEVELOPMENTS LP
(hereinafter called the "**Beneficial Owner**")

- and -

HORIZEN DEVELOPMENTS GP CORP
(hereinafter called the "**Trustee**" and together with the Beneficial Owner, the "**Assignor**")

- and -

ADJ HOLDINGS INC.
(hereinafter called the "**Lender**")

WHEREAS the Beneficial Owner is the beneficial owner of the Property and the Trustee holds legal title to the Property subject to the Mortgage in favour of the Lender and the Assignor has agreed to enter into this agreement with the Lender as security for payment of any and all present and future indebtedness and liability of the Assignor to the Lender and interest thereon;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby covenanted, agreed and declared as follows:

1. In this agreement, unless there is something in the subject matter or context inconsistent therewith,

(a) "**Leases**" includes

- (i) every existing and future lease, agreement to lease, offer to lease, agreement as to use or occupation and license in respect of the whole or any portion of the Property, whether or not pursuant to any written lease, agreement or licence;
- (ii) every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Property; and
- (iii) every existing and future assignment and agreement to assume the obligations of tenants of the whole or any portion of the Property.

(b) "**Mortgage**" means a mortgage of the Assignor to the Lender securing the principal sum of \$6,000,000.00 together with all other charges and interest and provided therein as registered against the Property;

(c) "**Property**" means the land and premises described in Schedule "A" hereto; and

(d) "**Rents**" means all rents, revenues, deposits, purchase monies and other monies now due and payable or hereafter to become due and payable and the benefit of all covenants of tenants, proposed purchasers, unit owners, users, occupiers, licensees and guarantors, under or in respect of the Leases.

2. The Assignor hereby assigns to the Lender, its successors and assigns (as security for the principal, interest, indebtedness, and other liability direct and indirect and other amounts secured by the Mortgage and until the monies due, liabilities and indebtedness under and by virtue of the Mortgage have been fully paid and satisfied) (i) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Property and (ii) the Leases and all renewals and replacements thereof, together with the benefit of any present or future guarantee, security or bond now or hereafter held for the obligations thereunder, with full power and authority to

demand, collect, sue for, recover, enforce, receive and give receipts for the performance by the Assignor of other obligations thereunder.

3. The Assignor hereby covenants and agrees that:

- (a) none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term);
- (b) there has been no default of a material nature which has not been remedied under any of the existing Leases by any of the parties thereto;
- (c) the Assignor will observe and perform all of the Assignor's obligations under each of the Leases;
- (d) no material changes or amendments will be made in the Leases without the prior written consent of the Lender which consent shall not be unreasonably withheld.

4. Subject to the provisions of paragraph 3(a) above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until, the Mortgage being in default, the Lender shall give notice to the tenant, proposed purchasers, unit owners, user, occupier, purchaser, licensee or guarantor thereunder requiring payment to the Lender.

5. Nothing herein contained shall have the effect of making the Lender, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Lender shall not, by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a mortgagee in possession of the Property or the mortgaged premises and the Lender shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Lender shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

6. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Lender from time to time to perfect this agreement and assignment and whenever in the future any lease, agreement, licence or guarantee with respect to the Property is made, the Assignor will forthwith advise the Lender of the terms thereof and, if requested by the Lender, give the Lender a specific assignment of the Rents thereunder in form satisfactory to the Lender.

7. The Assignor further agrees that the Assignor will not sell, lease or agree to sell or lease any part of the Property except at a price or rent, on terms and conditions, and to tenants or purchasers which are not less favourable or desirable than those which a prudent landlord or owner, as the case may be, would expect to receive for the premises or units, as the case may be, to be leased or purchased.

8. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum, liability or indebtedness due under the Mortgage; and that none shall be delayed or in any way prejudiced by these presents; and that following registrations of a discharge or release and reconveyance of the Mortgage this agreement and assignment shall be of no further force and effect.

9. Any demand, notice or other communication to be given hereunder shall be sufficiently given if e-mailed, served personally, or if mailed by prepaid registered post addressed to the recipient as follows:

- (a) if to the Lender:
2068 Piper Lane
London, Ontario
N5V 3N6
Attention: Jeff House
Email: jeff@ffventuresinc.com

with a copy to (which shall not constitute notice):

McKenzie Lake Lawyers LLP
c/o James Elsley

1800-140 Fullarton Street
London, Ontario
N6A 5P2

(b) if to the Assignor:

1515 Gordon Street, 203
Guelph, ON N1L 1C9
Attention: Todd Neill
Email: tneill@reidsproperties.com

Every such notice shall be deemed to have been given upon the day it was emailed, or if mailed, upon the third postal date after it was mailed. Any party may designate in writing a substitute address for that set forth above, and thereafter notice shall be directed to such substituted address. In the event of a postal strike, or in the event of interruption of mail service then all notices must be delivered to the address set out, or such other address as may have been designated.

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

11. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Assignor has executed this Agreement as of the date first written above.

HORIZEN DEVELOPMENTS GP CORP. as
general partner for the partners of **HORIZEN
DEVELOPMENTS LP**

DocuSigned by:

Per: _____
Name: CE30E432D7D4412... Scott U. Reid
Title: President

I have authority to bind the corporation

HORIZEN DEVELOPMENTS GP CORP.

DocuSigned by:

Per: _____
Name: CE30E432D7D4412... Scott U. Reid
Title: President

I have authority to bind the corporation

SCHEDULE "A"

PIN: 08056-1935 (LT)

DESCRIPTION: BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON

ADDRESS: 520 Sarnia Road, London, ON

TAB I

GENERAL SECURITY AGREEMENT

THIS AGREEMENT made the 14 day of May, 2024.

BETWEEN:

HORIZEN DEVELOPMENTS LP and HORIZEN DEVELOPMENTS GP CORP., in both its capacity as general partner of Horizen Developments LP and in its own capacity
(hereinafter called the "**Debtor**")

- and -

ADJ HOLDINGS INC.
(hereinafter called the "**Lender**")

WHEREAS the Debtor has or will become indebted to the Lender pursuant to two promissory notes dated even date herewith (the "**Promissory Notes**") in favour of the Lender and a commitment letter issued by the Lender dated May 8, 2024 as the same may be amended, extended or renewed from time to time ("**Commitment Letter**");

AND WHEREAS pursuant to the Commitment Letter and the Promissory Notes, the Debtor has agreed to grant the Lender a general security interest in and an assignment, mortgage and charge of the Collateral (as defined in Section 2.1 below) to secure all indebtedness of the Debtor in relation to the Commitment Letter and Promissory Notes;

NOW THEREFORE in consideration of the sum of One Dollar (\$1.00) now paid by the Lender to the Debtor and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby covenanted and agreed and declared by the Debtor as follows:

ARTICLE 1 – INTERPRETATION

1.1 Definitions

The following terms shall have the following meanings unless there is something in the subject matter or context inconsistent therewith:

"Act" means the *Personal Property Security Act* (Ontario), as amended, or any legislation that may be substituted therefor, as the same may from time to time hereafter be amended;

"Act of Bankruptcy" means, with respect to the Debtor, the occurrence of any one of the following events:

- (a) any admission in writing by the Debtor that the Debtor is unable to pay its debts as they become due; or
- (b) if the Debtor shall other than as expressly permitted hereby:
 - (i) be wound up, dissolved or liquidated, whether pursuant to the provision of the laws of the Province of Ontario or the laws of Canada applicable thereto, or any other law or otherwise, or become subject to the provisions

- of the *Winding-Up and Restructuring Act* (Canada), or have its existence terminated or have any resolution passed therefor; or
- (ii) make a general assignment for the benefit of its creditors or a proposal under the *Bankruptcy and Insolvency Act* (Canada) or shall otherwise acknowledge its insolvency or shall be declared or become bankrupt or insolvent; or
 - (iii) propose a compromise or arrangement under the *Companies' Creditors Arrangement Act* (Canada) or shall file any petition or answer seeking any re-organization, arrangement, composition; readjustment, liquidation, dissolution or any other relief for itself under the *Bankruptcy and Insolvency Act* (Canada) or any other present or future law relative to bankruptcy, insolvency or other relief for debtors or for the benefit of creditors; or
 - (iv) be unable, for any reason, to pay its trade creditors within one hundred and twenty (120) days of the rendering of trade accounts; or
- (c) if a court of competent jurisdiction shall enter an order, judgment or decree against the Debtor in respect of any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution, winding-up, termination of existence, declaration of bankruptcy or insolvency, or similar relief under any present or future law relating to bankruptcy; insolvency or other relief for or against debtors, and the Debtor shall acquiesce in the entry of such order, judgment or decree or such order, judgment or decree shall remain unvacated and unstayed; or if any trustee in bankruptcy, receiver, receiver and manager, monitor or liquidator or any other officer with similar powers shall be appointed for all or substantially all the assets of the Debtor with the consent or acquiescence of the Debtor or such appointment shall remain unvacated and unstayed.

“Business Day” means any day except a Saturday, Sunday or statutory holiday in Ontario;

“Collateral” shall have the meaning assigned thereto in Section 2.1;

“Event of Default” shall have the meaning assigned thereto in Section 5.1;

“Obligations” means all existing and future indebtedness and liability of the Debtor, to the Lender, pursuant to the Commitment Letter and/or Promissory Notes wheresoever and howsoever incurred and any ultimate unpaid balance thereof;

“Reasonable Expenses” means any and all reasonable expenses incurred from time to time by the Lender in taking possession of, holding, repairing, processing, preparing for and arranging for the disposition of the Collateral and/or disposing of the Collateral pursuant to the terms of this Agreement, including, without limitation, all legal expenses and Receiver's fees;

“Receiver” means a receiver and manager and the term **“Receiver”** may include one or more Receivers, and any such party appointed by the Lender shall be deemed to be the agent of the Debtor herein; and

“Security Interest” shall have the meaning assigned thereto in Section 2.1.

1.2 Additional Definitions

All capitalized terms used herein which are not defined herein, and which are defined in the Act, shall have the respective meanings assigned thereto in the Act.

1.3 Jurisdiction

This Agreement shall be governed by and construed in accordance with the Act and other laws of the Province of Ontario and the federal laws of Canada applicable therein and the parties hereby irrevocably attorn to the jurisdiction of the courts in Ontario.

ARTICLE 2 – CREATION OF SECURITY INTEREST

2.1 Grant

As security for the payment and performance by the Debtor of the Obligations, whether incurred prior to, at the time of or subsequent to the execution of this Agreement, including, without limitation, any extensions, amendments or renewals thereto, the Debtor hereby grants, mortgages, charges, transfers, assigns and creates to and in favour of the Lender, a general and continuing security interest (the “**Security Interest**”) in all of the following personal property:

- (a) all present and future equipment of the Debtor, including, without limitation, all machinery, fixtures, plants, tools, furniture, appliances, vehicles of any kind or description, all spare parts, accessories installed in or affixed to or attached to any of the foregoing and all drawings, specifications, plans and manuals relating thereto (“**Equipment**”);
- (b) all present and future inventory of the Debtor, including, without limitation, all raw materials, materials used or consumed in the business or profession of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service (“**Inventory**”);
- (c) all present and future debts, demands and amounts due or accruing due to the Debtor, whether or not earned by performance, including, without limitation, its book debts, accounts receivable and claims under policies of insurance and all contracts, security interests and other rights and benefits in respect thereof and including, without limitation, any right to receive any cash distribution from any joint venture, co-tenancy or partnership in which the Debtor has an interest (“**Accounts**”);
- (d) all present and future intangible personal property of the Debtor; including without limitation, all contract rights, goodwill, patents, trade marks, copyrights and other industrial property and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing and including, without limitation, any interest the Debtor may have in any joint venture, co-tenancy or partnership, whether such interest is treated as capital property or as inventory (“**Intangibles**”);
- (e) all grants, rights and licences issued or granted by any federal, provincial or municipal government or governmental board, ministry, department or agency to

the Debtor and all agreements entered into between any federal, provincial or municipal government or governmental board, ministry, department or agency and the Debtor, as the same may be amended, extended, renewed, replaced, or substituted from time to time ("**Licences and Agreements**");

- (f) all present and future documents of title of the Debtor, whether negotiable or otherwise, including without limitation, all warehouse receipts and bills of lading ("**Documents of Title**");
- (g) all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods ("**Chattel Paper**");
- (h) all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada), and all other writings that evidence a right to the payment of money and are of a type that, in the ordinary course of business, are transferred by delivery without any necessary endorsement or assignment ("**Instruments**");
- (i) all present and future money of the Debtor, whether authorized or adopted by the Parliament of Canada as part of its currency or any foreign government as part of its currency ("**Money**");
- (j) all present and future securities held by the Debtor, whether held as capital property or as inventory, including without limitation, shares, options, rights, warrants, joint venture interests, interests in partnerships or limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitutes evidence of an obligation of the issuer and including, without limitation, an uncertificated security within the meaning of Part VI of the *Business Corporations Act* (Ontario) and all substitutions therefor and dividends, cash distributions and, other income derived therefrom ("**Securities**");
- (k) all books, accounts, invoices, letters, papers, documents and other records, in any form evidencing or relating to collateral security subject to the Security Interest ("**Documents**");
- (l) all present and future personal property, business and undertaking of the Debtor not being Equipment, Inventory, Accounts, Intangibles, Licences and Agreements, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents, whether treated as inventory or capital property ("**Undertaking**"); and
- (m) all personal property in any form or fixtures derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom ("**Proceeds**").

The Equipment, Inventory, Accounts, Intangibles, Licences and Agreements, Documents of Title, Chattel Paper, Instruments, Money, Securities, Documents, Undertaking and Proceeds are collectively called the "**Collateral**". Any reference in this Agreement to Collateral shall mean the Collateral or any part thereof, unless the context otherwise requires.

The Lender hereby takes and reserves the Security Interest, which security interest shall extend to the Proceeds and shall continue in full force and effect until discharged.

2.2 Attachment of Security Interest

The Debtor and the Lender acknowledge and agree that:

- (a) they intend that the Security Interest attach to each item of the Collateral upon the later of the date of the execution of this Agreement and the date when the Debtor has rights in such item of the Collateral;
- (b) value has been given for the granting of the Security Interest; and
- (c) they have not agreed to postpone the time for attachment of the Security Interest.

2.3 Rights in Agreement

To the extent that the creation of the Security Interest would constitute a breach or cause the acceleration of any agreement, right, licence or permit to which the Debtor is a party, the Security Interest shall not attach thereto, but the Debtor shall hold its interest therein in trust for the Lender, and shall assign such agreement, right, licence or permit to the Lender forthwith upon obtaining the consent of the other party thereto.

2.4 Dealings With the Collateral

Until the occurrence of an Event of Default, the Debtor may use the Collateral in any lawful manner not inconsistent with this Agreement or with the terms or conditions of any policy of insurance thereon, and may collect its Accounts in the ordinary course of business; provided that upon the occurrence of an Event of Default, all Accounts so collected shall be held by the Debtor as agent and in trust for the Lender and paid to the Lender immediately upon request.

ARTICLE 3 – REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Debtor represents and warrants to the Lender, upon each of which representations and warranties the Lender specifically relies, as follows:

- (a) the Debtor is a corporation incorporated, organized and existing under the laws of Ontario and has all necessary power and authority to own its properties and carry on its business in all jurisdictions in which it owns property or carries on its business;
- (b) the Debtor has full power, legal right, authority and capacity to enter into this Agreement, incur the Obligations, create the Security Interest and do all such acts and things as are required hereunder to be done, observed or performed in accordance with the terms hereof;
- (c) the Debtor is not presently in default, beyond any period of grace with respect thereto, under any guarantee, bond, debenture, note or other similar document evidencing any indebtedness (or any such obligations contained in any instrument

or instruments pursuant to which any of the foregoing has been issued or made and delivered);

- (d) neither the execution nor the delivery of this Agreement or the creation of the Security Interest, the consummation of the transactions herein contemplated, or compliance with the terms, conditions and provisions hereof conflicts with or will conflict with or results or will result in any breach of any of the terms, conditions or provisions of the articles of the Debtor, or of any agreement or instrument to which the Debtor is now a party, or constitutes a default thereunder, or (except as contemplated by this Agreement) results or will result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Debtor, including, without limitation, the Collateral; and
- (e) except for the Security Interest created hereby, the Debtor is, or with respect to Collateral acquired after the date hereof will be, the owner of the Collateral free from any mortgage, lien, charge, pledge, security interest, encumbrance or other claims whatsoever, except for encumbrances deemed acceptable by the Lender in writing (the "**Permitted Encumbrances**").

ARTICLE 4 – COVENANTS

4.1 Positive Covenants

The Debtor covenants and agrees with the Lender that, so long as any of the Obligations remain outstanding, it shall:

- (a) pay or satisfy all Obligations when due;
- (b) do or cause to be done all things necessary to keep in full force and effect its corporate existence and all properties, rights, licenses and qualifications to carry on its business in Canada, in such jurisdictions within Canada and elsewhere as the Debtor carries on business or owns property;
- (c) use reasonable care in the custody and preservation of the Collateral;
- (d) keep the Collateral insured against loss or damage by fire, theft and such other risks as the Lender may reasonably require to the full insurable value thereof, and shall either assign the insurance policies to the Lender or have the loss thereunder made payable to the Lender as it may require. At the written request of the Lender, the Debtor will deliver to the Lender, from time to time, a certificate, signed by its President, setting forth particulars of such insurance and the names of the insurers. Should the Debtor neglect to maintain such insurance the Lender may insure, and any premiums paid by the Lender together with interest thereon shall be payable by the Debtor to the Lender upon demand;
- (e) promptly notify the Lender of any loss or damage to the Collateral, any change in any information provided in this Agreement or any actual or potential claim affecting the Debtor, the Collateral or the Security Interest;

- (f) from time to time forthwith on request furnish to the Lender in writing all information requested relating to the Collateral or any part thereof, and the Lender shall be entitled from time to time to inspect the tangible Collateral wherever located including, without limitation, the books and records of the Debtor and for such purpose the Lender shall have access to all places where the Collateral or any part thereof is located and to all premises occupied by the Debtor;
- (g) pay all Reasonable Expenses, including, without limitation, reasonable solicitors' and receivers' fees and disbursements incurred by the Lender or its agents (including any Receiver) in connection with the preparation, perfection, preservation and enforcement of this Agreement and all Reasonable Expenses incurred by the Lender or such agents in dealing with other creditors of the Debtor in connection with the establishment and confirmation of the priority of the Security Interest, all of which expenses shall be payable forthwith upon demand and shall form part of the Obligations;
- (h) duly and punctually observe and perform all of the covenants, conditions and agreements to be observed and performed on its part under this Agreement or any other agreement entered into and in force at any time between it and the Lender as and when they become due;
- (i) shall keep the Collateral free and clear of all taxes, assessments, claims, liens, and encumbrances, except the Permitted Encumbrances; and
- (j) from time to time forthwith on the Lender's request do, make, execute and deliver all such instruments, financing statements, further assignments, agreements, documents, acts, matters and things as may be required by the Lender of or with respect to the Collateral or any part thereof or as may be required to create, preserve, perfect, validate or otherwise protect the Security Interest, to enable the Lender to enforce its rights and remedies hereunder and generally to carry out the provisions and purposes of this Agreement.

4.2 Negative Covenants

The Debtor covenants and agrees with the Lender that so long as any of the Obligations remain outstanding it will not, without the prior written consent of the Lender, which consent shall not be unreasonably withheld:

- (a) create, issue, renew, incur or suffer to exist, any mortgage, pledge, charge, lien, security interest or other encumbrance on all or any part of the Collateral, ranking or purporting to rank or capable of ranking or being enforced in priority to or *pari passu* with the Security Interest, other than:
 - (i) renewals, extensions or replacements of presently existing prior ranking encumbrances, including a prior existing encumbrance in favour of the Lender and the Permitted Encumbrances; and
 - (ii) any purchase money security interest in collateral hereafter acquired but only if such interest is perfected and notification thereof is given to the Lender pursuant to the Act;

- (b) change the location of any place at which any of the Collateral is situated, except in the ordinary course of business; and
- (c) sell, exchange, transfer, dispose of, assign, lease or otherwise deal with any item constituting the Collateral, other than the Inventory, except in the ordinary course of business of the Debtor or otherwise sell, exchange, transfer, dispose of, assign, lease or otherwise deal with any item constituting Inventory, other than in the ordinary course of business of the Debtor, or enter into any agreement or undertaking to do so.

ARTICLE 5 – EVENTS OF DEFAULT

5.1 Events of Default

Each of the following shall constitute an “**Event of Default**”:

- (a) if the Debtor fails to make any payment of the Obligations when due and the Lender has made an authorized and proper demand for payment of the Obligations and payment in full has not been received by the Lender within 3 Business Days after demand has been made;
- (b) if the Debtor defaults in the performance or observance of any other covenant or condition herein contained or contained in any other agreement between the Debtor and the Lender and such default shall continue for 3 Business Days after written notice thereof to the Debtor by the Lender;
- (c) if any Event of Default or Default (as may be defined in any other agreement between the Lender and the Debtor) occurs pursuant to any other agreement between the Lender and the Debtor;
- (d) if there is any material misrepresentation or misstatement contained in any certificate or document delivered by the Debtor or any representative of the Debtor to the Lender in connection with this Agreement;
- (e) if the Debtor commits an Act of Bankruptcy;
- (f) if any execution, distress, sequestration or any other process of any court becomes enforceable against the Collateral, or a distress or like process is levied upon any of the Collateral;
- (g) if any part of the Collateral shall be sold, transferred or otherwise alienated or disposed of by the Debtor other than in the ordinary course of business without prior written consent of the Lender; and
- (h) if any part or all of the corporate shares or other securities of the Debtor are transferred by sale, assignment, operation of law or other disposition, or issued by subscription or allotment or cancelled or redeemed, so as to result in a change in the effective voting or other control of the Debtor by the person, or persons holding control on the date of execution of this Agreement or if other steps are taken to accomplish a change of the control of the Debtor, without obtaining the prior written consent of the Lender.

5.2 Notice of Intent to Enforce

The parties hereto agree that the Lender may, contemporaneously with or during any period which the Debtor may have to remedy defaults hereunder, give the Debtor the Notice of Intention to Enforce Security required by the *Bankruptcy and Insolvency Act* (Canada) as amended, it being the intention of the parties that, at the Lender's option, the period to cure defaults, and the ten (10) day Notice of Intention to Enforce Security, may run concurrently.

ARTICLE 6 – DEFAULTS AND REMEDIES

6.1 Results of Event of Default

Upon the occurrence of an Event of Default, the security hereby granted shall immediately become enforceable and the Lender may, forthwith or at any time thereafter:

- (a) declare any or all of the Obligations to be immediately due and payable by giving notice in writing thereof to the Debtor;
- (b) commence, legal action to enforce payment or performance of the Obligations;
- (c) require the Debtor, at the Debtor's expense, to assemble the Collateral at a place or places to be designated by notice in writing given by the Lender to the Debtor, and the Debtor agrees to so assemble the Collateral;
- (d) collect any rents, income and profits received in connection with the business of the Debtor or the Collateral;
- (e) collect, realize, sell or otherwise deal with any Accounts of the Debtor;
- (f) without notice to the Debtor or legal process, enter any premises where the Collateral may be situated and take possession of the Collateral by any method permitted by law;
- (g) file such proofs of claim or other documents as may be necessary or desirable to have its claim lodged in any bankruptcy, winding-up, liquidation, dissolution or other proceedings, voluntary or otherwise, relating to the Debtor;
- (h) make any commercially reasonable repair, processing, or preparation of the Collateral for disposition;
- (i) subject to the Act, dispose of the Collateral by private sale, public sale, lease or otherwise upon such terms and conditions as the Lender may determine;
- (j) where the Lender takes possession of the Collateral as herein provided, retain the Collateral in whole or in part for such period of time as is commercially reasonable;
- (k) where the Lender takes possession of the Collateral as herein provided, retain the Collateral in accordance with the procedure set out in the Act and such retention shall reduce the amount of the Obligations by an amount equal to the fair market value of the Collateral so retained;
- (l) sell the Collateral or any part thereof at a public sale;

- (m) appoint by instrument in writing, delivered to the Debtor, a Receiver over all or part of the Collateral, including any rents and profits thereof and such Receiver so appointed shall have the power to take possession of the Collateral and to carry on or concur in carrying on the business of the Debtor, and to sell or concur in selling the Collateral or any part thereof. Any such Receiver shall for all purposes be deemed to be the agent of the Debtor. The Lender may from time to time fix the remuneration of such Receiver on commercially reasonable terms. All moneys from time to time received by such Receiver shall be paid by him or her first in discharge of all rents, taxes, rates, insurance premiums and outgoings affecting the Collateral, secondly in payment of his or her remuneration as Receiver, thirdly, in keeping in good standing any liens and charges on the Collateral prior to the security constituted by this Agreement, and fourthly in or toward payment of such parts of the Obligations as to the Lender seems best, and any residue of such moneys so received shall be paid to the Debtor. The Lender in appointing or refraining from appointing such Receiver shall not incur any liability to the Receiver, the Debtor or otherwise. Such Receiver may be any person or persons and the Lender may remove any Receiver so appointed and appoint another or others in its or their stead. The parties hereby agree that the Lender shall not be liable for any acts or omissions of the Receiver, howsoever caused or resulting;
- (n) proceed in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;
- (o) without limiting the generality of the foregoing, deal with the Licences and Agreements in one or more of the following ways:
 - (i) in the name of the Debtor renew, amend, alter, extend, substitute, revoke, terminate, cancel or otherwise deal with the Licences and Agreements or make other agreements for such consideration and on such terms as it may deem appropriate;
 - (ii) in the name of the Debtor perform, at the Debtor's expense any and all obligations or covenants of the Debtor under the Licences and Agreements and to enforce performance by the other parties to the Licences and Agreements of their obligations, covenants and agreements thereunder;
 - (iii) deal with the Licences and Agreements to the same extent as the Debtor could do, the whole without any liability or responsibility of any kind on the part of the Lender, its agents, employees or other persons for whom the Lender is in law responsible;
 - (iv) sell or assign or transfer the Licences and Agreements; and
- (p) take any other action, suit, remedy or proceeding authorized or permitted by the Act or by law or equity.

6.2 Accounting for Surplus

Where the Collateral has been disposed of by the Lender as provided herein, the Lender shall account to the Debtor for any amount by which the proceeds of disposition of the Collateral exceed the Obligations plus the Reasonable Expenses.

6.3 Redemption of Collateral

At any time before the Lender has disposed of the Collateral as provided herein or before the Lender has elected, in the manner set out herein, to retain the Collateral irrevocably, the Debtor may redeem the Collateral by tendering payment of the aggregate of the Obligations and the Reasonable Expenses incurred prior to such time.

6.4 Remedies Cumulative

The Lender's rights and remedies, whether provided for in this Agreement or otherwise, may be exercised separately or in combination.

6.5 The Lender's Obligation

The Lender shall not be liable or accountable for any failure to enforce payment or performance of the Obligations or to seize, realize, take possession of or dispose of the Collateral and shall be under no obligation to institute proceedings for any such purposes.

6.6 Debtor's Obligation

After an Event of Default, all moneys collected or received by the Debtor in respect of the Collateral shall be received as trustee for the Lender and shall forthwith be paid over to the Lender.

6.7 Dealings by the Lender

The Lender may grant extensions of time and other indulgences, take and give up securities, accept compromises, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other securities as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize this security.

ARTICLE 7 – LOCATION OF COLLATERAL

7.1 Location of Collateral

The Collateral insofar as it consists of tangible property is now and will hereafter be kept at the locations listed in Schedule "A" and subject to the provisions of Section 4.2 hereof, none of the Collateral shall be removed therefrom without the written consent of the Lender.

ARTICLE 8 – ACKNOWLEDGMENT

8.1 Acknowledgement of Debtor

The Debtor acknowledges receipt of a true copy of this Agreement.

ARTICLE 9 – GENERAL

9.1 Notice

Any demand, notice or other communication to be given in connection with this Agreement shall be sufficiently given if e-mailed, served personally, or if mailed by prepaid registered post addressed to the recipient as follows:

(a) if to the Lender:

2068 Piper Lane
London, Ontario
N5V 3N6
Attention: Jeff House
Email: jeff@ffventuresinc.com

with a copy to (which shall not constitute notice):

McKenzie Lake Lawyers LLP
c/o James Elsley
1800-140 Fullarton Street
London, Ontario
N6A 5P2

(b) if to the Debtor:

1515 Gordon Street, 203
Guelph, ON N1L 1C9
Attention: Todd Neill
Email: tneill@reidsproperties.com

Every such notice shall be deemed to have been given upon the day it was given or emailed, or if mailed, upon the second postal date after it was mailed. Any party may designate in writing a substitute address for that set forth above, and thereafter notice shall be directed to such substituted address. In the event of a postal strike, or in the event of interruption of mail service then all notices must be delivered to the address set out, or such other address as may have been designated.

9.2 Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors and assigns, as the case may be. This Agreement may not be assigned by the Debtor without prior written consent of the Lender, which consent may be unreasonably withheld.

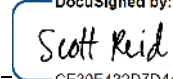
9.3 Applicable Law

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

[SIGNATURE PAGE FOLLOWS]

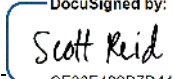
IN WITNESS WHEREOF the Debtor has executed this Agreement as of the first date written above.

HORIZEN DEVELOPMENTS GP CORP. as
general partner for the partners of **HORIZEN
DEVELOPMENTS LP**

DocuSigned by:

Per: _____
Name: CE30E432D7D4442... Scott O. Reid
Title: President

I have authority to bind the corporation

HORIZEN DEVELOPMENTS GP CORP.

DocuSigned by:

Per: _____
Name: CE30E432D7D4442... Scott O. Reid
Title: President

I have authority to bind the corporation

Schedule "A"
Location of Collateral

1. 520 Sarnia Road, London, Ontario
2. 1515 Gordon Street, 203, Guelph, ON N1L 1C9

TAB J

GUARANTEE

THIS GUARANTEE made the 14 day of May, 2024.

B E T W E E N:

SF SQUARE LP, SF SQUARE GP CORP. IN BOTH ITS CAPACITY AS GENERAL PARTNER FOR SF SQUARE LP AND IN ITS OWN CAPACITY, RHH RENTAL PROPERTIES LTD., FUTURELANDS LTD. 34 HOLDINGS INC., SCOTT REID AND JAMES CAMERON
(collectively the "**Guarantors**", and each a "**Guarantor**")

- and -

ADJ HOLDINGS INC.
(hereinafter called the "**Lender**")

WHEREAS Horizen Developments LP (the "**LP**") and Horizen Developments GP Corp. (the "**Trustee**" and collectively with the LP, the "**Borrowers**") in both its capacity as general partner of the LP and in its own capacity, has or will become indebted to the Lender pursuant to two promissory notes dated even date herewith (the "**Promissory Notes**") in favour of the Lender and a commitment letter issued by the Lender dated May 8, 2024, as the same may be amended, extended or renewed from time to time ("**Commitment Letter**");

AND WHEREAS each of the Guarantors have agreed to execute and deliver this Guarantee with respect to the indebtedness of the Borrowers to the Lender under the Promissory Notes and the Commitment Letter (collectively, the "**Debt**");

AND WHEREAS as a condition of the Promissory Notes, the Commitment Letter, and the advance of the amount thereunder, the Guarantors have agreed to jointly and severally guarantee the Debt as herein provided.

NOW THEREFORE in consideration of the sum of One Dollar (\$1.00) now paid by the Lender to the Guarantors and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, including, without limitation, the reliance of the Lender upon each of the parties hereto, the Guarantors hereby jointly and severally covenant and agree as follows:

1. Recitals

The foregoing recitals are true and correct, both in substance and in fact.

2. Guarantee

- (a) The Guarantors hereby unconditionally, jointly and severally guarantee and covenant with the Lender that:
 - (i) the Guarantors will observe and perform all of the undertakings and agreements to be observed and performed by the Borrowers pursuant to the provisions of the Promissory Notes and the Commitment Letter; and

- (ii) the Guarantors will duly and punctually pay all amounts which the Borrowers may from time to time owe to the Lender as and when the same become due and payable according to the terms of the Promissory Notes and the Commitment Letter, including the Debt.

The Guarantors hereby acknowledge having reviewed and familiarized themselves with the Promissory Notes and the Commitment Letter, and consent to and approve the same.

- (b) The Guarantors hereby expressly authorize and consent to the Borrowers from time to time, without any notice to the Guarantors and without relieving the Guarantors from their joint and several liability hereunder, to give and make such extensions, amendments, renewals, settlements and compromises as it may deem proper with respect to the undertaking, obligations and agreements of the Borrowers as contained in the Promissory Notes and the Commitment Letter.
- (c) The liability of the Guarantors hereunder shall be joint and several, absolute, irrevocable and unconditional and, without limiting the generality of the foregoing, shall not be conditional upon the prior taking by the Lender or any other person on its behalf of any action to exercise any rights against the Borrowers or to initiate or exhaust any remedies available to it against the Borrowers or to resort to any available security held by it or to resort to any other source or means of obtaining payment of the amounts owing by the Borrowers.
- (d) The Guarantors shall for all purposes of this Guarantee be regarded as in the same position as a principal debtor and hereby waive demand, presentment, protest and notice thereof and of default. The obligation of the Guarantors hereunder shall be deemed to arise in respect of each default.
- (e) The joint and several liability of the Guarantors hereunder shall not be impaired or discharged by reason of any time or other indulgence granted to the Borrowers or to any other person or persons liable to pay any amounts payable by the Borrowers under the Promissory Notes and the Commitment Letter or by the Lender taking further or other security for payment of the moneys due or to become due or by the Lender at any time releasing any security or partial security hereunder or by any other act or thing whereby, as Guarantors, it would or might be released.
- (f) The Guarantors also expressly agree to indemnify the Lender and save it harmless from and against any loss that may be suffered as a result of the non-payment of any amounts payable by the Borrowers pursuant to the Promissory Notes and the Commitment Letter for any reason whatsoever, including, without limitation, any such non-payment resulting from, related to or arising after an assignment by the Borrowers for the general benefit of its creditors or a receiving order being made pursuant to the *Bankruptcy and Insolvency Act* (Canada) or otherwise or any receiver or other person taking possession or control of the assets of the Borrowers or any portion thereof or an order being made for the winding-up and/or liquidation of the Borrowers.

- (g) The obligations of the Guarantors hereunder shall be assignable by the Lender and, unless specifically excepted, an assignment of the Promissory Notes and the Commitment Letter shall constitute an assignment of the obligations of the Guarantors hereunder.
- (h) Any loss of or in respect of any security received by the Lender from the Borrowers, the Guarantors or any other person, whether occasioned through the default or negligence of the Lender or otherwise, shall not discharge or limit or lessen the joint and several liability of the Guarantors pursuant to the terms hereof.
- (i) The obligation of the Guarantors hereunder shall be as primary debtors and not as surety.
- (ii) The Lender may exercise all rights hereunder against each Guarantor separately and whether or not the Lender in its discretion exercises its right in respect of any or all of the other Guarantors.

3. Default and Enforcement

- (a) If the Borrowers shall make default in payment of the principal of or interest on the Promissory Notes and the Commitment Letter as and when the same becomes due and payable or any other moneys owing thereon or any moneys becoming due and payable under the Promissory Notes and the Commitment Letter, beyond any applicable cure period, then the Guarantors shall forthwith, on demand by the Lender, pay to the Lender the principal and interest in default (including interest on amounts in default) or other moneys owing as aforesaid.
- (b) The Guarantors will pay to the Lender such amount or amounts as are payable hereunder forthwith upon the written request of the Lender from time to time, each such written request of the Lender to be conclusively accepted by the Guarantors as complete and satisfactory evidence of any default by the Borrowers and the extent thereof and of the obligation of the Guarantors to make a payment hereunder and the amount thereof. Such requests may be delivered by email or mail to the Guarantors during normal business hours or mailed to the Guarantors by prepaid registered mail at their last address known to the Lender, such request shall be deemed to have been received when emailed or, if mailed, on the second day after it was mailed by prepaid registered mail as aforesaid.
- (c) No document, proof or other action, other than as hereinabove specified, is necessary as a condition of the Guarantors honoring their obligations hereunder.
- (d) If the Guarantors shall fail forthwith on demand to make good any such default, the Lender may, in its discretion, proceed with the enforcement of the rights given pursuant hereto by any remedy provided by law to receive from the Guarantors such sums as the Guarantors may be liable to pay hereunder.
- (e) All sums paid to or recovered by the Lender pursuant to the provisions hereof shall be applied by it in payment of the principal, interest and other moneys owing on the Promissory Notes and the Commitment Letter in such order as the Lender, in its sole discretion, may determine.

- (f) The Lender may waive any default of the Guarantors hereunder upon such terms and conditions as it may determine, provided that no such waiver shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom.
- (g) Any moneys paid by or recovered from the Guarantors hereunder shall be held to have been paid pro tanto in discharge of the joint and several liability of the Guarantors hereunder, but not in discharge of the liability of the Borrowers, and in the event of any such payment by or recovery from the Guarantors, the Guarantors hereby assign any rights with respect to or arising from such payment or recovery (including, without limitation, any right of subrogation) to the Lender, unless or until the Lender has received in the aggregate payment in full of all moneys owing on the Promissory Notes and the Commitment Letter.

4. Release and Discharge

- (a) Until the obligations of the Borrowers to the Lender under the Promissory Notes and the Commitment Letter have been paid out in full, no obligation or joint and several liability of the Guarantors hereunder or under any instrument collateral hereto shall be limited, released, discharged or in any way affected by any release, loss or alteration in or dealing with security under the Promissory Notes or the Commitment Letter; or by time being given to the Borrowers or to any person whomsoever by the Lender; or by any compromise, arrangements, composition or plan or reorganization affecting the Borrowers or the security under the Promissory Notes or the Commitment Letter; or by waiver of any default under the Promissory Notes or the Commitment Letter, or by any dealings whatsoever between the Lender and the Borrowers or any person or persons whomsoever, or by any other act, omission or proceedings in relation to the Promissory Notes, the Commitment Letter and/or this Guarantee whereby the Guarantors might otherwise be released or exonerated or the liabilities and obligations of the Guarantors hereunder limited or affected.
- (b) Nothing but payment and satisfaction in full of all moneys payable by the Borrowers pursuant to the Promissory Notes and the Commitment Letter or a written release from the Lender shall release the Guarantors of their obligations hereunder.
- (c) This Guarantee and all the obligations on the part of the Guarantors herein contained shall terminate and be of no further force and effect upon the termination of the obligation of the Borrowers to observe and perform all of the undertakings and agreements to be observed and performed by it pursuant to the provisions of the Promissory Notes and the Commitment Letter and upon payment in full of all amounts owing under the Debt and upon termination of this Guarantee, the Lender shall, at the request and at the expense of the Guarantors, execute and deliver to the Guarantors a release from the obligations herein contained.
- (d) The Guarantors shall have no right of subrogation in the rights of the Lender until such time as all of the Debt has been repaid in full.

5. Notices

Any demand, notice or other communication to be given in connection with this Guarantee shall be sufficiently given if e-mailed, served personally, or if mailed by prepaid registered post addressed to the recipient as follows:

(a) if to the Lender:

2068 Piper Lane
London, Ontario
N5V 3N6
Attention: Jeff House
Email: jeff@ffventuresinc.com

with a copy to (which shall not constitute notice):

McKenzie Lake Lawyers LLP
c/o James Elsley
1800-140 Fullarton Street
London, Ontario
N6A 5P2

(b) if to the Guarantors:

SF Square GP Corp. and SF SQUARE LP
1515 Gordon Street, 203
Guelph, ON N1L 1C9
Attention: Todd Neill
Email: tneill@reidsproperties.com

RHH Rental Properties Ltd.
1515 Gordon Street, 203
Guelph, ON N1L 1C9
Attention: Todd Neill
Email: tneill@reidsproperties.com

Futurelands Ltd.
520 Jarvis Street
London, ON N6K 1X1
Attention: James Benjamin Cameron
Email: bencameron@rogers.com

34 Holdings Inc.
1515 Gordon Street, 203
Guelph, ON N1L 1C9
Attention: Todd Neill
Email: tneill@reidsproperties.com

Scott Reid
6815 Wellington Road 34, R.R. #22
Cambridge, ON N3C 2V4

Email: scott@reidsproperties.com

James Cameron
520 Jarvis Street
London, ON N6K 1X1
Email: bencameron@rogers.com

Every such notice shall be deemed to have been given upon the day it was emailed, or if mailed, upon the third postal date after it was mailed. Any party may designate in writing a substitute address for that set forth above, and thereafter notice shall be directed to such substituted address. In the event of a postal strike, or in the event of interruption of mail service then all notices must be delivered to the address set out, or such other address as may have been designated.

6. General

- (a) The Guarantors shall give such further assurances and do, execute and perform all such acts, deeds, documents (including assignments) and things as may be requisite to give to the Lender the full benefit and effect of or intended by this Guarantee. No term, condition or provision hereof or any right hereunder or in respect hereof shall be or shall be deemed to have been waived, except by express written waiver signed by the Lender, all of which such waivers shall extend only to the particular circumstance therein specified. Neither forbearance nor indulgence by the Lender shall constitute a waiver of any term, condition or provision to be performed or observed by the Guarantors or the Borrowers or any want of performance or observance thereof. No agreement purporting to amend or modify this Guarantee or any rights or liabilities hereunder shall be valid or binding, unless in writing and signed by the Lender and the Guarantors.
- (b) Time is and shall be in all respects of the essence hereof.
- (c) This Guarantee shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Guarantors have executed this Guarantee as of the date first written above.

SF SQUARE GP CORP.

DocuSigned by:
Scott Reid
Per: _____
Name: Scott U. Reid
Title: Secretary
I have authority to bind the corporation.

SF SQUARE GP CORP., as general partner
for the partners of **SF SQUARE LP**

DocuSigned by:
Scott Reid
Per: _____
Name: Scott U. Reid
Title: Secretary
I have authority to bind the corporation.

RHH RENTAL PROPERTIES LTD.

DocuSigned by:
Scott Reid
Per: _____
Name: Scott Reid
Title: Chief Executive Officer
I have authority to bind the corporation.

FUTURELANDS LTD.

Per: _____
Name: James Benjamin Cameron
Title: President
I have authority to bind the corporation.

34 HOLDINGS INC.

DocuSigned by:
Scott Reid
Per: _____
Name: Scott Reid
Title: President
I have authority to bind the corporation.

DocuSigned by:
Scott Reid

SCOTT REID

JAMES CAMERON

IN WITNESS WHEREOF the Guarantors have executed this Guarantee as of the date first written above.

SF SQUARE GP CORP.

SF SQUARE GP CORP., as general partner
for the partners of **SF SQUARE LP**

Per: _____
Name: Scott O. Reid
Title: Secretary
I have authority to bind the corporation.

Per: _____
Name: Scott O. Reid
Title: Secretary
I have authority to bind the corporation.

RHH RENTAL PROPERTIES LTD.

FUTURELANDS LTD.

Per: _____
Name: Scott Reid
Title: Chief Executive Officer
I have authority to bind the corporation.

DocuSigned by:
James Benjamin Cameron
Per: _____
Name: James Benjamin Cameron
Title: President
I have authority to bind the corporation.

34 HOLDINGS INC.

Per: _____
Name: Scott Reid
Title: President
I have authority to bind the corporation.

DocuSigned by:
James Benjamin Cameron
Per: _____
JAMES CAMERON

SCOTT REID

TAB K

PROMISSORY NOTE

TO:	ADJ Holdings Inc. (the " Lender ")
FROM:	Horizen Developments LP (the " LP ") and Horizen Developments GP Corp. (the " Trustee ", collectively with the LP, the " Borrowers "), in both its capacity as general partner of the LP and in its own capacity
Principal:	CDN \$2,800,000.00
Term:	12 months (the " Term ")

- BORROWING OF FUNDS.** The Borrowers have requested to borrow the principal sum of CDN\$2,800,000.00 from the Lender (the "**Loan**") pursuant to a commitment letter dated May 8, 2024 among the Lender, as lender, the Borrowers, as borrowers, and SF Square GP Corp., RHH Rental Properties Ltd., Futurelands Ltd., 34 Holdings Inc., Scott Reid, and James Cameron, collectively, as guarantors (the "**Commitment Letter**"). As a condition to advancing the Loan, the Lender requires the Borrowers to deliver this promissory note (the "**Note**") as evidence of the Borrowers' indebtedness to the Lender.
- PROMISE TO PAY.** For value received, and in exchange for the Loan, receipt of which is hereby acknowledged, the Borrowers hereby promise to pay to the order of the Lender the principal sum of CDN\$2,800,000.00 (the "**Principal**") together with interest and fees (if any), at the rates provided in this Note.
- MATURITY.** The Note shall mature on the date that is 12 months from the date hereof (the "**Maturity Date**") when the Principal and accrued but unpaid interest shall be paid by the Borrower to the Lender.
- INTEREST.** The outstanding Principal under this Note and all unpaid interest shall accrue interest at the rate of 12% per annum, compounded monthly not in advance. Interest shall be computed on the basis of the actual number of days per year for the actual number of days outstanding.
- PAYMENTS.** The Borrowers shall pay the Lender interest-only payments calculated on the entire Principal outstanding, commencing on the date being one month from date of the initial Advance (as that term is defined in the Commitment Letter), and monthly thereafter during the term of this Note. All payments made under this Note shall be made by certified cheque, wire transfer or bank draft in lawful money of the Canada in immediately available funds. The Borrowers agree that, in the absence of manifest error, the Lender's calculation of interest and records of any repayment shall be *prima facie* evidence of the amount of interest to be paid under this Note.
- APPLICATION OF PAYMENTS.** All payments under this Note shall first be applied to penalties, expenses and costs of collection, then to accrued interest, then to Principal.
- PREPAYMENT.** On the date that is three (3) months from the date of this Note (the "**Prepayment Commencement Date**") and any date thereafter, the Borrowers may, without penalty, prepay all of the outstanding Principal in full, but not in part. However, the Borrowers shall have the option to prepay all of the outstanding Principal prior to the Prepayment Commencement Date, provided that the Borrowers also pay to the Lender interest pursuant

to Section 4, which would have accrued if the Principal was prepaid on the Prepayment Commencement Date.

8. **GRANT OF COLLATERAL SECURITY.** As continuing collateral security for the obligations of the Borrowers owing under this Note, the Borrowers have executed and delivered, or caused to be executed and delivered, in favour of the Lender, *inter alia*, the following security (as the same may be amended or replaced from time to time, the "**Collateral Security**"), in a form and manner satisfactory to the Lender, together with any relevant registrations, filings and other supporting documentation deemed necessary by the Lender or its counsel to perfect the same or otherwise in respect thereof:
- a) a first-ranking charge/mortgage from the Trustee in the principal amount of \$6,000,000 over the lands municipally known as 520 Sarnia Road, London, ON, and legally described as BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON (being all of PIN 08056-1935) (the "**520 Sarnia Property**");
 - b) a second-ranking charge/mortgage from SF Square LP and SF Square GP Corp., in both its capacity as general partner of the LP and in its own capacity (collectively, "**SF**"), in the principal amount of \$6,000,000 over the lands set forth in Schedule "A" hereto (the "**180 Sherwood Property**", and together with the 520 Sarnia Property, the "**Properties**");
 - c) a first-ranking general assignment of rents and leases and notice thereof, in favour of the Lender, over the 520 Sarnia Property;
 - d) a second-ranking general assignment of rents and leases and notice thereof, in favour of the Lender, over the 180 Sherwood Property;
 - e) a general security agreement granting a security interest in all of the Borrowers' present and after acquired personal property;
 - f) a joint and several guarantee from SF, RHH Rental Properties Ltd. ("**RHH**"), Futurelands Ltd. ("**Futurelands**"), 34 Holdings Inc. ("**34**"), Scott Reid ("**Scott**") and James Cameron ("**James**" and together with SF, RHH, Futurelands, 34, and Scott, collectively the "**Guarantors**" and each a "**Guarantor**");
 - g) a general security agreement signed by each of the Guarantors in favour of the Lender granting a security interest in all of such Guarantor's present and after acquired personal property;
 - h) an undertaking and completion guarantee;
 - i) an assignment of plans, construction drawings, permits, development agreements, and material contracts from the Borrowers;
 - j) an assignment of insurance;

- k) an environmental warranty and indemnity; and
 - l) a postponement and assignment of claims.
9. **DEFAULT.** Time is of the essence under this Note. If any of the events specified in this section occur, then the Lender may, in addition to any remedies available to it pursuant to the Commitment Letter, and at law or in equity, has the option to declare the Borrowers in default under this Note and declare immediately due and payable all obligations of the Borrowers to the Lender (including, for greater certainty, the Principal and interest thereon for the balance of the term of the Note to the Maturity Date):
- a) the Borrowers fail to make any payment under this Note within three (3) business days after written notice from the Lender (by mail or by email) that such payment was not received on or before the date such payment was due; or
 - b) the Borrowers fail to perform any other obligation contained in this Note within three (3) business days after written notice from the Lender (by mail or email) specifying the nature of the default; or
 - c) the Borrowers are in breach of its obligations pursuant to the Collateral Security or any ancillary agreements, instruments, or acknowledgements delivered to the Lender in connection with the Collateral Security;
 - d) the Borrowers or any of the Guarantors:
 - I. ceases to pay its debts when due and payable or admits its inability to pay any indebtedness, liability or obligation or commits or threatens to commit an act of bankruptcy under any insolvency law or becomes or admits that it is insolvent within the meaning of any insolvency law;
 - II. makes an assignment for the benefit of its creditors;
 - III. has a receiver, liquidator, trustee, sequestrator or other officer with like powers appointed with respect to, or an encumbrancer takes possession of, or forecloses or retains, or sells or otherwise disposes of, or otherwise proceeds to enforce security over any material portion of the properties or assets of the Purchaser or the Guarantors, or any of them, or gives notice of its intention to do so
 - IV. makes a sale of all or substantially all of its property or assets;
 - V. transfers or otherwise disposes of any of its present or after acquired property or assets outside the course of ordinary business; or
 - VI. in respect of the Borrowers, and each of the corporate Guarantors, has a Change of Control. "**Change of Control**" shall mean the acquisition by ownership or otherwise, directly or indirectly, of more than 50% of the voting capital of the Borrowers or Guarantor, as applicable, by any person, firm, corporation or group;

- e) the Borrowers further mortgages, charges or encumbers the 520 Sarnia Property or permits same without the express prior written consent of the Lender;
 - f) the Borrowers transfers, assigns or conveys all or any part of the registered or all or a controlling part of beneficial interest in the 520 Sarnia Property without the express prior written consent of the Lender;
 - g) the Borrowers fails to maintain insurance on the 520 Sarnia Property;
 - h) SF further mortgages, charges or encumbers the 180 Sherwood Property or permits same without the express prior written consent of the Lender;
 - i) SF transfers, assigns or conveys all or any part of the registered or all or a controlling part of beneficial interest in the 180 Sherwood Property without the express prior written consent of the Lender;
 - j) SF fails to maintain insurance on the 180 Sherwood Property;
 - k) any part of the Properties becomes condemned or expropriated and, in the opinion of the Lender in respect of any expropriation, such expropriation materially impairs the value of the Properties;
 - l) any writ of execution, distress, attachment or other similar process is issued or levied against the Borrower or all or any substantial part of its assets, or any judgement or order is made against the Borrower by a court of competent jurisdiction and, in the opinion of the Lender, such process, judgement or order would materially and adversely affect the ability of the Borrower to fulfil its obligations to the Lender; or
 - m) if there is any material misrepresentation or misstatement contained in any certificate or document delivered by the Debtor or any representative of the Debtor to the Lender in connection with this Agreement Note.
10. **JOINT AND SEVERAL OBLIGATIONS.** All obligations of the LP and the Trustee under this Note are joint and several.
11. **ASSIGNMENT.** The Lender may, at any time and from time to time, assign or transfer any or all of its right, title or interest in, to and under this Note to any person. The Borrowers shall not assign any or all of its obligations hereunder without the prior written consent of the Lender, which consent may be arbitrarily withheld without reasons.
12. **AMENDMENT.** All amendments to this Note require the written consent of the Borrowers and the Lender.
13. **ENUREMENT.** This Note shall be binding upon and enure to the benefit of the Borrowers and the Lender and their respective successors and permitted assigns.
14. **WAIVER.** The Borrowers hereby waive presentment, demand for payment, notice of dishonour, notice of non-payment, protest, notice of protest, and any and all other notices

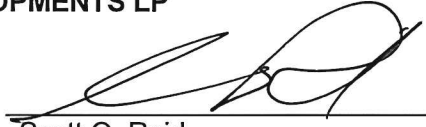
and demands in connection with the delivery, acceptance, performance, default, or enforcement of this Note.

15. **LIMITATION PERIOD VARIED.** The undersigned Borrowers agree that the applicable limitation period with respect to the obligations contained in this Note is hereby varied by agreement of the undersigned Borrowers and the Lender in accordance with sub-section 22 of the *Limitations Act*, 2002, S.O. c.24 Sch. B (as amended), such that the applicable limitation period shall be 15 years.
16. **GOVERNING LAW.** This Note shall be construed, interpreted and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[SIGNATURE PAGE FOLLOWS]


DATED: May 14, 2024.

HORIZEN DEVELOPMENTS GP CORP. as
general partner for the partners of **HORIZEN
DEVELOPMENTS LP**

Per: 
Name: Scott O. Reid
Title: President

I have authority to bind the corporation

HORIZEN DEVELOPMENTS GP CORP.

Per: 
Name: Scott O. Reid
Title: President

I have authority to bind the corporation

Schedule "A"
180 Sherwood Property

ADDRESS: Unit 57, Level 1

PIN: 09529-0075 LT

DESCRIPTION: UNIT 57, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 58, Level 1

PIN: 09529-0076 LT

DESCRIPTION: UNIT 58, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 59, Level 1

PIN: 09529-0077 LT

DESCRIPTION: UNIT 59, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 60, Level 1

PIN: 09529-0078 LT

DESCRIPTION: UNIT 60, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 61, Level 1

PIN: 09529-0079 LT

DESCRIPTION: UNIT 61, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 62, Level 1

PIN: 09529-0080 LT

DESCRIPTION: UNIT 62, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 63, Level 1

PIN: 09529-0081 LT

DESCRIPTION: UNIT 63, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 64, Level 1

PIN: 09529-0082 LT

DESCRIPTION: UNIT 64, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 65, Level 1

PIN: 09529-0083 LT

DESCRIPTION: UNIT 65, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 66, Level 1

PIN: 09529-0084 LT

DESCRIPTION: UNIT 66, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 67, Level 1

PIN: 09529-0085 LT

DESCRIPTION: UNIT 67, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 68, Level 1

PIN: 09529-0086 LT

DESCRIPTION: UNIT 68, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 69, Level 1

PIN: 09529-0087 LT

DESCRIPTION: UNIT 69, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 70, Level 1

PIN: 09529-0088 LT

DESCRIPTION: UNIT 70, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 71, Level 1

PIN: 09529-0089 LT

DESCRIPTION: UNIT 71, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 72, Level 1

PIN: 09529-0090 LT

DESCRIPTION: UNIT 72, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 73, Level 1

PIN: 09529-0091 LT

DESCRIPTION: UNIT 73, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 74, Level 1

PIN: 09529-0092 LT

DESCRIPTION: UNIT 74, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 75, Level 1

PIN: 09529-0093 LT

DESCRIPTION: UNIT 75, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 76, Level 1

PIN: 09529-0094 LT

DESCRIPTION: UNIT 76, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 77, Level 1

PIN: 09529-0095 LT

DESCRIPTION: UNIT 77, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 78, Level 1

PIN: 09529-0096 LT

DESCRIPTION: UNIT 78, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 79, Level 1

PIN: 09529-0097 LT

DESCRIPTION: UNIT 79, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 80, Level 1

PIN: 09529-0098 LT

DESCRIPTION: UNIT 80, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 81, Level 1

PIN: 09529-0099 LT

DESCRIPTION: UNIT 81, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 82, Level 1

PIN: 09529-0100 LT

DESCRIPTION: UNIT 82, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 83, Level 1

PIN: 09529-0101 LT

DESCRIPTION: UNIT 83, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 84, Level 1

PIN: 09529-0102 LT

DESCRIPTION: UNIT 84, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 85, Level 1

PIN: 09529-0103 LT

DESCRIPTION: UNIT 85, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 86, Level 1

PIN: 09529-0104 LT

DESCRIPTION: UNIT 86, LEVEL 1, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 7, Level 2

PIN: 09529-0105 LT

DESCRIPTION: UNIT 7, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 8, Level 2

PIN: 09529-0106 LT

DESCRIPTION: UNIT 8, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 9, Level 2

PIN: 09529-0107 LT

DESCRIPTION: UNIT 9, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 10, Level 2

PIN: 09529-0108 LT

DESCRIPTION: UNIT 10, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 11, Level 2

PIN: 09529-0109 LT

DESCRIPTION: UNIT 11, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 12, Level 2

PIN: 09529-0110 LT

DESCRIPTION: UNIT 12, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 13, Level 2

PIN: 09529-0111 LT

DESCRIPTION: UNIT 13, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 14, Level 2

PIN: 09529-0112 LT

DESCRIPTION: UNIT 14, LEVEL 2, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 7, Level 3

PIN: 09529-0113 LT

DESCRIPTION: UNIT 7, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 8, Level 3

PIN: 09529-0114 LT

DESCRIPTION: UNIT 8, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 9, Level 3

PIN: 09529-0115 LT

DESCRIPTION: UNIT 9, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 10, Level 3

PIN: 09529-0116 LT

DESCRIPTION: UNIT 10, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 11, Level 3

PIN: 09529-0117 LT

DESCRIPTION: UNIT 11, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 12, Level 3

PIN: 09529-0118 LT

DESCRIPTION: UNIT 12, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 13, Level 3

PIN: 09529-0119 LT

DESCRIPTION: UNIT 13, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 14, Level 3

PIN: 09529-0120 LT

DESCRIPTION: UNIT 14, LEVEL 3, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 7, Level 4

PIN: 09529-0121 LT

DESCRIPTION: UNIT 7, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 8, Level 4

PIN: 09529-0122 LT

DESCRIPTION: UNIT 8, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 9, Level 4

PIN: 09529-0123 LT

DESCRIPTION: UNIT 9, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 10, Level 4

PIN: 09529-0124 LT

DESCRIPTION: UNIT 7, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 11, Level 4

PIN: 09529-0125 LT

DESCRIPTION: UNIT 11, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 12, Level 4

PIN: 09529-0126 LT

DESCRIPTION: UNIT 12, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 13, Level 4

PIN: 09529-0127 LT

DESCRIPTION: UNIT 13, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

ADDRESS: Unit 14, Level 4

PIN: 09529-0128 LT

DESCRIPTION: UNIT 14, LEVEL 4, MIDDLESEX STANDARD CONDOMINIUM PLAN NO. 926 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN ER1343314; CITY OF LONDON

TAB L

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

Properties

PIN 08056 - 1935 LT

Description BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON

Address LONDON

Consideration

Consideration \$190,392.46

Claimant(s)

Name SIERRA GENERAL CONTRACTING INC.

Address for Service c/o Kennaley Construction Law 305 31
Mechanic Street Paris ON N3L 1P1

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

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

Statements

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien Schedule: See Schedules

Signed By

Robert John Kennaley 31 Mechanic Street, Suite 305 acting for Signed 2025 07 08
Paris Applicant(s)
N3L 1K1

Tel 519-426-2577

Email rjk@kennaley.ca

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

Submitted By

KENNALEY CONSTRUCTION LAW- A 31 Mechanic Street, Suite 305 2025 07 08
PROFESSIONAL CORPORATION Paris
N3L 1K1

Tel 519-426-2577

Email rjk@kennaley.ca

Fees/Taxes/Payment

Statutory Registration Fee \$70.90

Total Paid \$70.90

THE CONSTRUCTION ACT, R.S.O. 1990, c. C. 30, as amended
SCHEDULE to CLAIM FOR LIEN
Under Section 34 of the Act

Name of Lien Claimant: SIERRA GENERAL CONTRACTING INC.

Address for Service: c/o Kennaley Construction Law, Wincey Mills, Unit 305, 31
Mechanic Street, Paris, Ontario N3L 1K1

Name of owner: HORIZEN DEVELOPMENTS LP

Address: 1515 Gordon Street, 203, Guelph, Ontario, N1L 1C9

Name of owner: HORIZEN DEVELOPMENTS GP CORP.

Address: 1515 Gordon Street, 203, Guelph, Ontario, N1L 1C9

Name of owner: ADJ HOLDINGS INC.

Address: 2068 Piper Lane, London, Ontario, N5V 3N6

Name of person to whom lien claimant supplied services or materials:

HORIZEN DEVELOPMENTS LP

Address: 1515 Gordon Street, 203, Guelph, Ontario, N1L 1C9

HORIZEN DEVELOPMENTS GP CORP.

Address: 1515 Gordon Street, 203, Guelph, Ontario, N1L 1C9

ADJ HOLDINGS INC.

Address: 2068 Piper Lane, London, Ontario, N5V 3N6

Time within which services or materials were supplied:

from January 2nd, 2023 **to** June 3rd, 2025
(date supply commenced) *(date of most recent supply)*

Short description of services or materials that have been supplied:

Supply of services and materials in relation to preconstruction services, preparation of drawings, site fencing, repairs to premises infrastructure and other related services and materials.

Contract price: \$37,080,950.00 (inclusive of H.S.T.)

Amount claimed as owing in respect of services or materials that have been supplied: \$190,392.46 (inclusive of H.S.T.)

TAB M

Properties

PIN 08056 - 1935 LT

Description BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067; CITY OF LONDON

Address LONDON

Party From(s)

Name SIERRA GENERAL CONTRACTING INC.
Address for Service c/o Kennaley Construction Law 305 31
Mechanic Street Paris ON N3L 1K1

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Statements

This document relates to registration number(s)ER1636723
Schedule: See Schedules

Signed By

Robert John Kennaley	31 Mechanic Street, Suite 305 Paris N3L 1K1	acting for Party From(s)	Signed	2025 08 28
----------------------	---	-----------------------------	--------	------------

Tel 519-426-2577

Email rjk@kennaley.ca

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

Submitted By

KENNALEY CONSTRUCTION LAW- A PROFESSIONAL CORPORATION	31 Mechanic Street, Suite 305 Paris N3L 1K1	2025 08 28
--	---	------------

Tel 519-426-2577

Email rjk@kennaley.ca

Fees/Taxes/Payment

Statutory Registration Fee	\$70.90
Total Paid	\$70.90



CERTIFICATE OF ACTION UNDER SECTION 36 OF THE ACT

Construction Act

.....
Court File No.

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN

SIERRA GENERAL CONTRACTING INC.

Plaintiff(s)

And

(court seal)

**HORIZEN DEVELOPMENTS GP CORP., HORIZEN DEVELOPMENTS
LP, ADJ HOLDINGS INC.**

Defendant(s)

CERTIFICATE OF ACTION

I certify that an action has been commenced in the Superior Court of Justice under the *Construction Act* between the above parties in respect of the premises described in Schedule A to this certificate, and relating to the claim(s) for lien bearing the following registration numbers:

ER1636723

Date: **August 28th, 2025**

.....
(registrar or local registrar)

SCHEDULE A

Description of premises:

PIN: 08056-1935

**BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT
OVER PART 1 33R10235 AS IN LT303181; SUBJECT TO AN EASEMENT IN GROSS AS
IN ER1522915; SUBJECT TO AN EASEMENT AS IN ER1556067;**

CITY OF LONDON

.....
(The description of the premises must be the same as in the statement of claim, and must be sufficient for registration under the *Land Titles Act* or the *Registry Act*, as the case may be.)

Schedule A

08056-1935(LT)

a

PROPERTY DESCRIPTION: BLOCK 1 PLAN 33M273, EXCEPT PARTS 1-5 33R21373; SUBJECT TO AN EASEMENT OVER PART 1 33R10238 AS IN LT300161; SUBJECT TO AN EASEMENT IN GROSS AS IN ER1622918; SUBJECT TO AN EASEMENT AS IN ER1656067; CITY OF LONDON

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE CONSTRUCTION ACT, R.S.O.
1990, c. C.30, as amended**

**PROCEEDING COMMENCED AT
LONDON**

CERTIFICATE OF ACTION

Kennaley Construction Law
a professional corporation
31 Mechanic Street, Suite 305
Paris, Ontario N3L 1K1

Robert J. Kennaley (LSO# 40892B)
Tel: 519-805-8186
Email: rjk@kennaley.ca

Lawyers for the plaintiff,
Sierra General Contracting Inc.

RCP-F 4C (September 1, 2020)

TAB N



CERTIFICATE OF THE TREASURER

NOTE: Taxes may include phase-in adjustments and cap adjustments.

THE CORPORATION OF THE CITY OF LONDON
London
CANADA

FINANCE DEPARTMENT
REVENUE DIVISION

PAID: \$ 62.00

CERTIFICATE NO 219381

CERTIFIED AS AT: August 29, 2025

YOUR FILE NO 208916

ISSUED TO: HARRISON PENSA LLP
1101 - 130 DUFFERIN AVE
P.O. BOX 3237
LONDON ON N6A 4K3

ASSESSED OWNER:
HORIZEN DEVELOPMENTS GP CORP

ROLL NUMBER	ASSESSED DESCRIPTION
CTY: 39 MUN: 36 MAP: 010 POLL: 645 PARCEL: 600000000	520 SARNIA RD PLAN 33M273 PT BLK 1 IRREG 1.67AC 481.04FR D

PRIOR YEARS' TAX ARREARS

Statement showing arrears of taxes on the above lands. (Reference Section 352 of the Municipal Act, 2001 as amended.)

YEAR	TAXES LEVIED	PRINCIPAL OUTSTANDING	INTEREST OUTSTANDING	BALANCE OUTSTANDING
2024	87,583.71	53,902.90	8,084.70	61,987.60
2023		0.00	0.00	0.00
Prior Years		0.00	0.00	0.00
TOTAL ARREARS				\$61,987.60

STATEMENT OF CURRENT YEAR'S TAXES

(Issued pursuant to the provisions of Section 352 of the Municipal Act, 2001 as amended.)

CURRENT LEVY	INSTALLMENT DUE DATES AND AMOUNTS				OUTSTANDING AMOUNTS		
INTERIM	37,713.54	FEB 28	18,857.00	MAR 31	18,856.54	TAX	92,424.47
FINAL	54,678.93	JUN 30	18,226.00	AUG 29	18,226.00	PENALTY	3,049.45
SUPP.	0.00	OCT 31	18,226.93			BALANCE	95,473.92
TOTAL	92,392.47						

TOTAL BALANCE DUE AS AT DATE OF CERTIFICATION: \$ 157,461.52

Penalty and/or Interest Levied on Outstanding Principal is 1.250 % levied on the first day of each month following the default of payment and the first day of each month until paid.

I hereby certify that, subject to the qualifications noted below, the above statements respectively show:

- All arrears or taxes returned to this office and due and owing against the above lands; and
- The current amount of taxes on real property and whether any or all of the taxes have been paid as at the date of certification in connection with the above lands, and that no part of the said land has been sold for taxes under Part XI of the Municipal Act, 2001 and whether the interim and / or final taxes for the Corporation of the City of London have been levied for the current year.

FOR THE CITY TREASURER
e.&o.e.

ANNUAL LOCAL IMPROVEMENTS / FEES AND CHARGES ASSESSED TO THIS PROPERTY TO DATE INCLUDE:

LOCAL ID	DESCRIPTION	AMOUNT	START	EXPIRY

Notes:

- This tax certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001. This certificate reflects only those charges added to the Tax Collector's Roll up to the day of certification.
- The total taxes shown may include additions to the Tax Collector's Roll as authorized by statute.
- Interest and penalty charges have been calculated to the day of certification only.
- The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
- This certificate is subject to additional taxes or adjustments pursuant to the provisions of the Municipal Act, the Assessment Act or any other applicable legislation.
- Check for arrears of hydro and water with the Hydro Electric Commission, P.O. Box 3060, London, Ontario N6A 4J8.
- This certificate does not include local improvement charges for future years. Contact the Engineer's Department for information.
- Where this certificate includes credit balances the Corporation of the City of London makes no representation as to who may or may not be entitled to any such credits.

TAB O

Sheriff of / Shérif de : COUNTY OF MIDDLESEX (LONDON)

Certificate # / N° de certificat : 52112102-4381333B

Date of Certificate / Date du certificat : 2025-AUG-28 / 2025-AOÛT-28

Sheriff's Statement

This certifies that there are no active writs of execution, orders and certificates of lien filed within the electronic database maintained by this office in accordance with Section 10 of the *Execution Act*, at the time of searching against the real and personal property of:

Déclaration du shérif

Ce certificat atteste qu'il n'y a aucune ordonnance active ou aucun bref d'exécution forcée ou certificat de privilège actif dans la base de données électronique maintenue par ce bureau aux termes de l'article 10 de la *Loi sur l'exécution forcée* au moment de la recherche visant les biens meubles et immeubles de :

Name Searched / Nom recherché

Person or Company / Personne ou société	Name or Surname, Given Name(s) / Nom ou nom de famille, prénom(s)
Company / Société	HORIZEN DEVELOPMENTS GP CORP.

Caution to party requesting search:

- It is the responsibility of the requesting party to ensure that the name searched is correct.
- By virtue of this certificate, the sheriff is assuring that this name will remain clear until the end of close of this business date, unless the sheriff is directed otherwise under an order of the court.

Avertissement à la partie qui demande la recherche :

- Il incombe à la partie qui demande la recherche de s'assurer que le nom recherché est exact.
- En vertu du présent certificat, le shérif assure que ce nom demeure libre jusqu' à la fin de cette journée de travail, à moins de recevoir des directives contraires aux termes d'une ordonnance du tribunal.

Charge For This Certificate / Frais pour ce certificat : CAD 13.00

TAB P

Enquiry Result

File Currency: 27AUG 2025



Show All Pages

All Pages



Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	HORIZEN DEVELOPMENTS GP CORP.								
File Currency	27AUG 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	505375173	1	2	1	2	14MAY 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
505375173		001	1		20240514 1227 1590 2532	P PPSA	2		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	HORIZEN DEVELOPMENTS GP CORP.								
	Address			City	Province	Postal Code			
	1515 GORDON STREET, 203			GUELPH	ON	N1L 1C9			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	HORIZEN DEVELOPMENTS LP								
	Address			City	Province	Postal Code			
	1515 GORDON STREET, 203			GUELPH	ON	N1L 1C9			
Secured Party	Secured Party / Lien Claimant								
	ADJ HODLINGS INC.								
	Address			City	Province	Postal Code			
	2068 PIPER LANE			LONDON	ON	N5V 3N6			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	MCKENZIE LAKE LAWYERS LLP*JKE 119074			
	Address	City	Province	Postal Code
	1800-140 FULLARTON STREET	LONDON	ON	N6A 5P2

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	HORIZEN DEVELOPMENTS GP CORP.								
File Currency	27AUG 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	505375209	2	2	2	2	14MAY 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
505375209		001	1		20240514 1228 1590 2533	P PPSA	2		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	HORIZEN DEVELOPMENTS GP CORP.								
	Address				City	Province	Postal Code		
	1515 GORDON STREET, 203				GUELPH	ON	N1L 1C9		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	HORIZEN DEVELOPMENTS LP								
	Address				City	Province	Postal Code		
	1515 GORDON STREET, 203				GUELPH	ON	N1L 1C9		
Secured Party	Secured Party / Lien Claimant								
	ADJ HOLDINGS INC.								
	Address				City	Province	Postal Code		
	2068 PIPER LANE				LONDON	ON	N5V 3N6		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	GENERAL ASSIGNMENT OF RENTS IN RELATION TO 520 SARNIA ROAD, LONDON, ONTARIO.								
Registering Agent	Registering Agent								
	MCKENZIE LAKE LAWYERS LLP*JKE 119074								
	Address				City	Province	Postal Code		
	1800-140 FULLARTON STREET				LONDON	ON	N6A 5P2		

LAST PAGE

Note: All pages have been returned.

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TAB Q

ADJ Holdings Inc.
Transaction Detail By Account
 May 1, 2024 through August 28, 2025

Horizen Developments
 Facility 1 - Loan Transactions Only

Type	Num	Date	Name	Memo	Amount (CAD)
General Journal	1993	05/09/2024	Horizen Developments GP Corp	Mortgage Registration - 520 Sarnia Rd, Standby fee	20,000.00
General Journal	1995	05/13/2024	Horizen Developments GP Corp	Mortgage Registration - 520 Sarnia Rd - Principal	-2,800,000.00
General Journal	1995	05/14/2024	Horizen Developments GP Corp	Mortgage Registration - 520 Sarnia Rd - Loan fee 2%	56,000.00
General Journal	1995	05/14/2024	Horizen Developments GP Corp	Mortgage Registration - 520 Sarnia Rd - Standby fee credit	-20,000.00
General Journal	2008	06/12/2024	Horizen Developments GP Corp	Interest Payment 06/12/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2025	07/15/2024	Horizen Developments GP Corp	Interest Payment 07/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2044	08/13/2024	Horizen Developments GP Corp	Interest Payment 08/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2061	09/13/2024	Horizen Developments GP Corp	Interest Payment 09/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2092	10/15/2024	Horizen Developments GP Corp	Interest Payment 10/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2093	10/16/2024	Horizen Developments GP Corp	Interest Payment 10/13/2024 520 Sarnia Road, London, ON - Returned NSF	-28,000.00
General Journal	2094	10/21/2024	Horizen Developments GP Corp	Interest Payment 10/13/2024 520 Sarnia Road, London, ON - Resent Funds	28,000.00
General Journal	2115	11/13/2024	Horizen Developments GP Corp	Interest Payment 11/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2139	12/13/2024	Horizen Developments GP Corp	Interest Payment 12/13/2024 520 Sarnia Road, London, ON	28,000.00
General Journal	2165	01/13/2025	Horizen Developments GP Corp	Interest Payment 01/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2193	02/13/2025	Horizen Developments GP Corp	Interest Payment 02/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2195	02/14/2025	Horizen Developments GP Corp	Interest Payment 02/13/2025 520 Sarnia Road, London, ON - Returned NSF	-28,000.00
General Journal	2194	02/19/2025	Horizen Developments GP Corp	Interest Payment 02/13/2025 520 Sarnia Road, London, ON - Resent	28,000.00
General Journal	2209	03/13/2025	Horizen Developments GP Corp	Interest Payment 03/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2211	03/17/2025	Horizen Developments GP Corp	Interest Payment 03/13/2025 520 Sarnia Road, London, ON - Returned NSF	-28,000.00
General Journal	2210	03/20/2025	Horizen Developments GP Corp	Interest Payment 03/13/2025 520 Sarnia Road, London, ON - Resent	28,000.00
General Journal	2225	04/14/2025	Horizen Developments GP Corp	Interest Payment 04/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2228	04/17/2025	Horizen Developments GP Corp	Interest Payment 04/13/2025 520 Sarnia Road, London, ON - Returned NSF	-28,000.00
General Journal	2227	04/30/2025	Horizen Developments GP Corp	Interest Payment 04/13/2025 520 Sarnia Road, London, ON - Resent	28,000.00
General Journal	2245	05/13/2025	Horizen Developments GP Corp	Interest Payment 05/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2247	05/14/2025	Horizen Developments GP Corp	Interest Payment 05/13/2025 520 Sarnia Road, London, ON - Returned NSF	-28,000.00
General Journal	2246	05/20/2025	Horizen Developments GP Corp	Interest Payment 05/13/2025 520 Sarnia Road, London, ON - Resent	28,000.00
General Journal	2262	06/16/2025	Horizen Developments GP Corp	Interest Payment 06/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2280	07/14/2025	Horizen Developments GP Corp	Interest Payment 07/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2282	07/15/2025	Horizen Developments GP Corp	Interest Payment 07/13/2025 520 Sarnia Road, London, ON - Returned	-28,000.00
General Journal	2302	08/13/2025	Horizen Developments GP Corp	Interest Payment 08/13/2025 520 Sarnia Road, London, ON	28,000.00
General Journal	2303	08/14/2025	Horizen Developments GP Corp	Interest Payment 08/13/2025 520 Sarnia Road, London, ON - Returned	-28,000.00

NOTE: July & August 2025 Interest payments were returned NSF and not repaid as of August 28, 2025

TAB R

Harrison Pensa

LAWYERS

4

Michael Cassone

Direct Line: (519) 661-6765
mcassone@harrisonpensa.com

Assistant: Kelsey Evanitski
Direct Line: (519) 850-5622
kevanitski@harrisonpensa.com

August 7, 2025

SENT BY REGULAR AND REGISTERED MAIL

Horizen Developments GP Corp.
1515 Gordon Street, 203
Guelph, ON N1L 1C9

**RE: Your Indebtedness to ADJ Holdings Inc.
Our File No. 208916**

We act as the solicitors for ADJ Holdings Inc. (“**ADJ**”).

You are indebted to ADJ pursuant to the terms of Commitment Letter dated May 8, 2024, as amended (the “**Commitment Letter**”).

The Commitment Letter established the following outstanding credit facility:

Facility 1 – Loan - \$2,800,000 (the “**Loan**”)

The Loan is secured by: (i) a mortgage registered as instrument ER1576529 against title to the property known municipally as 520 Sarnia Road, London, Ontario (the “**Mortgage**”); and (ii) a general security agreement dated May 14, 2024 (the “**GSA**”).

The amount due and owing by you to ADJ is \$2,986,990.41 as of August 1, 2025, the particulars of which are as follows:

The Loan

Amount owing as of August 1, 2025 \$2,986,990.41

Together with interest in the amount of \$982.02 per day from August 1, 2025 until the date of payment, in full.

(the “**Indebtedness**”)

Please also take notice that ADJ is claiming prejudgment and postjudgment interest pursuant to the terms of the Loan, the Mortgage and the GSA.

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

The Loan and the Mortgage are in default. On behalf of ADJ, we demand payment of the Indebtedness together with interest and all legal costs incurred to the date of payment in full.

We have been instructed to commence whatever further legal proceedings are deemed necessary unless payment or arrangements satisfactory to ADJ are made within ten (10) days of the date hereof. No intermediate acts, negotiations or indulgences shall act as a waiver to ADJ's rights, or demand as set out herein, unless so expressly stated in writing.

Enclosed please find a Notice of Intent to Enforce Security which is served upon you pursuant to the provisions of the Bankruptcy and Insolvency Act. Kindly date, sign and return the enclosed Waiver if you consent to early enforcement.

Please govern yourself accordingly.

Yours very truly,

HARRISON PENZA ^{LLP}

A handwritten signature in black ink, appearing to be 'MC' with a long horizontal flourish extending to the right.

Michael Cassone
MEC/kwe
[Encl.]

NOTICE OF INTENTION TO ENFORCE SECURITY

(Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: Horizen Developments GP Corp., an insolvent corporation

TAKE NOTICE THAT:

ADJ Holdings Inc., a secured creditor, intends to enforce its security on the property of the insolvent person described as:

520 Sarnia Road, London Ontario (the “**Property**”).

Rents arising from the Property.

All present and after acquired undertaking and personal property of Horizen Developments GP Corp. and the proceeds thereof.

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

Mortgage registered against title to the Property as Instrument ER1576529.

Assignment of Rents registered against title to the Property as Instrument ER1576530.

General Security Agreement dated May 14, 2024.

The total amount of indebtedness secured by the security is \$2,986,990.41, plus interest as set out in the Loan plus all costs of enforcement on a solicitor and client basis.


The secured creditor will not have the right to enforce its security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 7th day of August, 2025

ADJ HOLDINGS INC.

by its solicitors, Harrison Pensa^{LLP}

Per: _____


Michael E. Cassone
Harrison Pensa^{LLP}
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2
(519) 679-9660
(519) 667-3362

WAIVER

Receipt of Notice of Intention to Enforce Security is acknowledged.

The undersigned hereby waives the notice period therein and consents to the immediate enforcement of the security.

DATED the _____ day of August, 2025

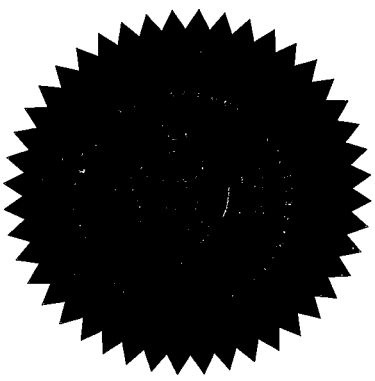
HORIZEN DEVELOPMENTS GP CORP.

Name:

Title:

I have the authority to bind the corporation

TAB S



Court File No. CV-25-00000342-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE
JUSTICE TRIMBLE**

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)
)

**FRIDAY, THE 8th
DAY OF AUGUST, 2025**

B E T W E E N:

(Court Seal)

2243530 ONTARIO INC., 2363134 ONTARIO INC., 2397718 ONTARIO INC.,
2446672 ONTARIO INC., 2697515 ONTARIO INC., ALFIO CASAGRANDE,
OA HOLDINGS INC., CHRISTOPHER WILIAM HAJT, ERYN KONKLE,
DEREK KONKLE, KONKLE ELECTRIC LTD., EUGENIO LUPO,
VALENTINA LUPO, GEORGE DREER, HARRISON MARK TIBBETTS,
JEFF CUMMINGS, 784328 ONTARIO LIMITED, JOHN FIORE LANNUTTI,
PAULA LANNUTTI, JOHN JUHANI AYRANTO, MARILYN JEAN
AYRANTO, JOHN PAUL MCGARR, JOY SCHUSTER, LYNNE MARIE
BRYDGES, MARY FRANCESCA CASAGRANDE, MICHAEL LOK,
MICHAEL THOMAS RAFTER, LEANNE MARIE RAFTER, ROBERT
ANDREW MCMILLAN, WENROB HOLDING COMPANY LTD., RONALD
SCOTT DAVIES, DEANNA CATHERINE DAVIES, RYAN GILL, BRENDAN
GILL, SHELLEY GILL, SHANNON CASAGRANDE, TAMARA LEIGH
CORLIS, TRIGLAV COMMONS LTD., CATHERINE MIHEVC, WENDY
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DEVRIES, SUZANNE DEVRIES, CHERRY FOREST PRODUCTS
HOLDINGS LTD., KATHERINE BARANSKI, JOHN BARANSKI, ALBERT
POON, MARY GILBERT POON, ALDO MARTONE personally and in his
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and as Executor of the ESTATE OF CARMINE MARTONE , GABRIELLA
MARTONE, ALLISON CHARLES MACKINNON a.k.a. AL MACKINNON
personally and in his capacity as Executor of the ESTATE OF MARY FRANCES
MACKINNON, ANNE ZAGAR, VLADIMIR ZAGAR, BROLA INC., BRUCE
MURRAY, NADINE MURRAY, CAROLYNN BELL, MELISSA
CASSELMAN, CHRISTINA MARIE SIBLEY, DONNA LYNN MANCUSO,

-2-

CHRISTOPHER SCOTT, REGINA SCOTT, DOROTHY MCGINNIS, BRENT MCGINNIS, DOUG PFLUG, MICHELLE PFLUG, FRANCO VENTURATO, JOANNE LACHANCE, GOODCORR PROPERTY MANAGEMENT SERVICES INC., GRAHAM ROBERT KERR, HEATH DAY, JACQUELINE CRUICKSHANK, ZACHARY HUTTON HOLDINGS INC., MEREDITH HUTTON HOLDINGS INC., ANDREW HUTTON HOLDINGS INC., BEN HUTTON HOLDINGS INC., JANET MULHOLLAND, JASON BORGHESE, JULIE BORGHESE, JENNIFER HARRISON, J. MCDONELL REAL ESTATE INC., ANGELA MACDONELL, MARILYN MACDONELL, JOY PETERS, EMILY PETERS, DANIELLE PETERS, KEITH LANGLOIS, LAURA MALCOLM, LINDSAY ALYSON MCCARTHY, ELAINE CATHERINE MCCARTHY, MARIO DI RENZO, MARNEY THOMPSON, MELISSA CYNTHIA DI RENZO, MICHAEL IRELAND, LADONNA IRELAND, CLAUDIO DANIEL, RICHARD ERIC WILLSIE, HEATHER ANN WILLSIE, ROBERT PRICE, KELLY WILTON MEDICINE PROFESSIONAL CORPORATION, RONNY OLAVE, RONALD JAMES GRIMMER, ROSEMARY KEDDY, SONIA RITA DI RENZO, STACY COOPER, CASEY COOPER, CASSIDY-JILL COOPER, WAYNE NEALE, CHAD WARREN WISEMAN, CARLY RENEE EMENY-WISEMAN, THE NEXT GROUP INC., GUERRINO CREMASCO, ELENA CREMASCO, BENJAMIN WILLISTON, SYLVIA BARZOTTI, 534452 ONTARIO INC., 2475677 ONTARIO INC., 2152683 ONTARIO LTD., DARREN CHAPPEL, DARRYL BOWER, DAVID LONG, BRENDA LONG, DAVIDE DI RENZO, FRANCO SCORZIELLO, GRANT THOMPSON, KAREN KENNEDY, LISA FINAMORE, 2228292 ONTARIO INC., MICHELANGELO MACEROLLO, BIANCA SPATOLA, 2838238 ONTARIO INC., A. KIM DENTISTRY PROFESSIONAL CORPORATION, HERMIONE RONA KIM, BENEDETTO DIRENZO, IVA DI-RENZO, LINDA PEGGY MACKILLOP, P.C. MARSH CONSTRUCTION LTD., BRENDA KERR personally and in her capacity as Executor of the ESTATE OF ROBERT BRUCE KERR, SANDRA GAIL KERR by her litigation guardian BRENDA KERR, MELISSA SUZANNE GEORGE and PAOLO FERRANTE

Plaintiffs

-and-

SCOTT ORIN REID, SHELLEY REID, TODD NEILL, MELISSA MACGREGOR, NICHOLAS JONATHAN JAMES LEVITT a.k.a. NICK LEVITT, OMAR JOSEPH ALPARK, CHRISTOFER HEBERT, DEMETER FAMILY OFFICE INC., DEMETER INVESTMENT HOLDINGS, BLAKE SEEBERGER, PENTAGON HOLDINGS, LLC, PENTAGON HOLDINGS, INC., JD EUROWAY FINANCE INC., JD EUROWAY DISTRIBUTION, JD EUROWAY DISTRIBUTION USA, JD EUROWAY CAPITAL PARTNERS LLC, FRITZ ZEPHIR a.k.a. FRITZGERALD ZEPHIR a.k.a. FRITZ GERALD ZEPHIR, OUE SERGE, EMMANUEL SENDY-LOO, DOMENICO GIAMMARELLA, RHH RENTAL PROPERTIES LTD. operating as REID'S

-3-

HERITAGE PROPERTIES, RHH GRANGE INC., BELLEVILLE APARTMENTS INC., 45 AGNES GP CORP., 45 AGNES HOLDINGS GP INC., JD DEVELOPMENTS INC., DANIEL ALLAN, JULIET ALLAN, LABELLE/RHP STRATFORD INC., LABELLE STRATFORD INC., VAUGHAN ST GP CORP., BOWMANVILLE APARTMENTS INC., HORIZEN DEVELOPMENTS GP CORP., DALLAN APARTMENTS INC., GUELPH FARLEY GP CORP., JOSEPH'S PLACE BRESLAU GP CORP., SHERWOOD FOREST SQUARE LTD., SF SQUARE GP CORP. FUTURELANDS LTD., RHP REAL INVESTMENTS GP CORP., EVOKE DEVELOPMENTS OTTAWA GP CORP., 34 HOLDINGS INC., BROOKLYN HOMES INC., THE TOWNS AT FOXBEND INC., 34 HOLDINGS INC., RAY'S GUIDE & CHARTER SERVICE LTD., GARY J. BRAS, CORIANA CAPITAL CORPORATION, PEPPLER HOLDINGS INC., PENTAGON-REIDS, LP and REID'S HERITAGE HOMES LTD.

Defendants

ORDER**NOTICE**

If you, a Mareva Defendant, as defined below, disobey this order ("Order") you may be held to be in contempt of court and may be imprisoned, fined or have your assets seized.

You are entitled to apply on at least twenty-four (24) hours' notice to the Plaintiffs, for an order granting you sufficient funds for ordinary living expenses and legal advice and representation.

Any other person who knows of the Order and does anything which helps or permits any Mareva Defendant, as defined below, to breach the terms of the Order may also be held to be in contempt of court and may be imprisoned, fined or have their assets seized.

THIS MOTION, made by the Plaintiffs was heard on this day at 74 Woolwich Street, Unit B, Guelph, Ontario.

ON READING the Motion Record of the Plaintiffs, Supplementary Motion Record of the Plaintiffs, Second Supplementary Motion Record of the Plaintiffs, the Factum of the Plaintiffs, and on hearing submissions of counsel for the Plaintiffs,

1. **THIS COURT ORDERS** that, until further ordered by this Court, an interim and interlocutory injunction enjoining the Defendants, ~~Scott Orin Reid~~, Shelley Reid, ~~RHH Rental Properties Ltd. operating as Reid's Heritage Properties~~, The Towns At Foxbend Inc., 34 Holdings Inc., Ray's Guide & Charter Service Ltd., RHH Grange Inc., Belleville Apartments Inc., 45 Agnes GP Corp., 45 Agnes Holdings GP Inc., Labelle/RHP Stratford Inc., Vaughan St GP Corp., Bowmanville Apartments Inc., Horizen Developments GP Corp., Dallan Apartments Inc., Guelph Farley GP Corp., Joseph's Place Breslau GP Corp., Sherwood Forest Square Ltd., ~~SF Square GP Corp.~~, RHP Real Investments GP Corp., Evoke Developments Ottawa GP Corp., Brooklyn Homes Inc., and Pepler Holdings Inc. (collectively, the "**Mareva Defendants**"), their servants, agents, employees, corporations, assigns, officers, directors, or anyone else acting on their behalf or in conjunction with them, directly or indirectly, and any and all persons, entities, agents, employees, corporations with notice of this Order, be restrained from, directly or indirectly, dealing with any and all assets of any kinds of the Mareva Defendants wherever situated worldwide (the "**Mareva Defendants' Assets**"), by any means whatsoever including:

- (a) selling removing, dissipating, alienating, transferring, assigning, liening, encumbering or further encumbering, concealing, redirecting, releasing or otherwise similarly dealing with any of the Mareva Defendants' Assets without leave of the Court, including but not limited to the assets set out in Schedule "A" of this Order;
- (b) engaging in or proceeding with any transaction, the effect of which is to transfer, move, or receive funds outside Ontario from the sale, transfer, assignment or encumbering of any of the Mareva Defendants' assets without leave of the Court,

-5-

- (c) instructing, requesting, counselling, demanding, or encouraging any other person or persons to take any of the actions set out in (a) and (b) above;
- (d) in any other way facilitating, assisting in, aiding, abetting, or participating in any act that may result in any action set out in (a) and (b) above;

2. **THIS COURT ORDERS** that paragraph 1 of this Order shall apply to all of the Mareva Defendants' Assets, whether or not such assets are in the Mareva Defendants' name(s), directly or indirectly, and whether or not such assets are solely or jointly owned.

3. **THIS COURT ORDERS** that the Mareva Defendants shall disclose by way of sworn statement within seven (7) days of receiving this Order, any and all information pertaining to any and all accounts and assets the Mareva Defendants maintain directly or indirectly (including through corporations or otherwise and whether solely or jointly owned), including the following:

- (a) names of all financial institutions, brokerages, or similar institutions which such accounts are held or maintained;
- (b) the account numbers, name of account holders, and statements showing current balances of such accounts;
- (c) a list of all Canadian and worldwide assets including real property, personal property, shares, securities, investments, insurance policies, annuities, and other assets including a list of the value, location, and detailed description of the asset;
- (d) a list of all accounts worldwide, dates, amounts, banking institutions, and their address in which and from which the Mareva Defendants, directly or indirectly,

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deposited, have deposited or transferred assets directly or indirectly, in respect of the sale of any assets since January 1, 2020; and

4. **THIS COURT ORDERS** that the Mareva Defendants shall attend to be examined under oath, separately and concurrently, on a date to be determined by the Plaintiffs' service of notice of examination, for the purposes of cross-examination on their sworn Asset Declarations, for the purposes of tracing and accounting for the Plaintiffs' funds, and for the purposes of determining whether the Mareva Defendants have made any transfers in violation of the *Mareva* injunction from the date of service of the Order.

5. **THIS COURT ORDERS** that the Trustee in Bankruptcy of any of the Mareva Defendants hold all payments or distributions to the Mareva Defendants related to any bankruptcy proceedings, whether they exist at the time of this Honourable Court's Order or are commenced after the Order, without leave or further order of the Court or consent of the Plaintiffs

6. **THIS COURT ORDERS** that any financial institutions (including any bank, credit union, trust company, custodian, stock broker, or other person or entity) (referred to collectively as the "**Financial Institutions**") if notified of the Order, will as soon as reasonably practicable freeze and prevent any dealing with any and all of the Mareva Defendants' Assets held at or through any branch, office or location or otherwise held for the credit of, or on behalf of, the Mareva Defendants, unless permitted by further Order of the Court.

Release of Funds for Ordinary Living Expenses and Legal Fees

7. **THIS COURT ORDERS** that, notwithstanding paragraph 1, for the purpose of ordinary living expenses, Scott Orin Reid and Shelley Anne Reid shall be permitted to withdraw up to a

collective total of \$7,500.00 per month for any accounts with a Financial Institution. Scott Orin Reid and Shelley Reid shall be at liberty to move to vary the amounts in this paragraph on proper notice of the Plaintiffs, based on evidence including budget and evidence of recurring expenses, as well as the independent source of the funds.

8. **THIS COURT ORDERS** that the Mareva Defendants attend before this Court by *at 3:30 pm, 19 August 2025, by Zoom to monitor compliance with* conference call or by the means specified by the Court, on a date as specified which is within 10 *the orders and to limit the return of the motions on a full* days of issuance of this Court's order, to address the Mareva Defendants' compliance with the *record.* Orders issued by this Court and to schedule further motions in this Action.

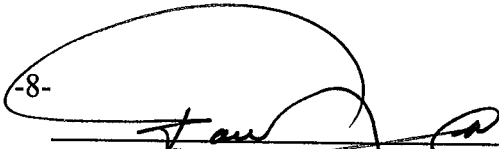
Right to Seek Further Orders

9. **THIS COURT ORDERS** that the Plaintiffs may apply from time to time for further relief, directions, assistance, clarifications and further orders, including orders in relation to any breach of the Order.

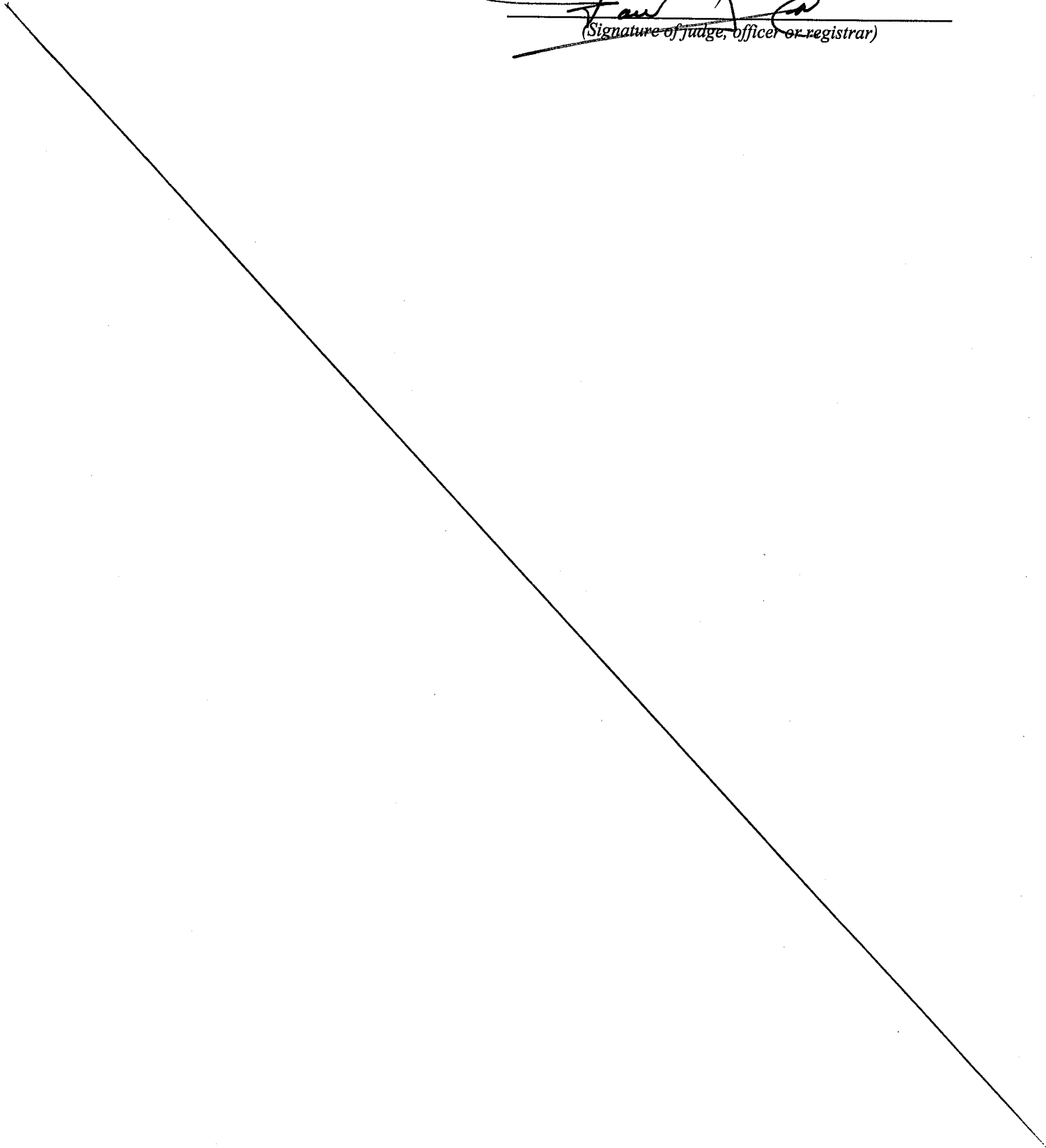
10. **THIS COURT ORDERS** that the time for service and filing of materials for this Motion be abridged or extended as necessary.

Undertaking as to Damages Satisfied

11. **THIS COURT ORDERS** that the Plaintiffs have satisfied the undertaking to abide by an Order this Court makes with respect to damages and that further undertakings are not required to be filed by the Plaintiffs except by further Order of this Court.

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(Signature of judge, officer or registrar)



Schedule "A" to Order

Bank Accounts

Account Holder(s)	Financial Institutions	Account No.
Known Bank Accounts		
Scott Orin Reid	Royal Bank of Canada	
Scott Orin Reid	CIBC	
Scott Orin Reid	Meridian Credit Union	
Scott Orin Reid	Libro Credit Union	
RHH Rental Properties Ltd.	CIBC Transit: 00052 Institution: 010	6591019
45 Agnes Holdings LP	CIBC Transit: 00052 Institution: 010	1822012
Vaughan St LP	CIBC Transit: 00052 Institution: 010	1195107
Horizen Developments LP	CIBC Transit: 00052 Institution: 010	9602615
SF Square GP Corp SF Square LP Corp Sherwood Forest Square Ltd.	CIBC Transit: 00052 Institution: 010	1822810
RHH Rental Properties	CIBC Transit: 00052 Institution: 010	9181318
RHP Real Estate Investments LP	CIBC Transit: 00052 Institution: 010	2800039658

Real Property

Municipal Address	Legal Description	Registered Owners
6815 Wellington Road 34, Puslinch, Ontario	PT LOT 13, CONCESSION 2, TOWNSHIP OF PUSLINCH PART 1, PLAN 61R21240; T/W MS85003; S/T ROS521635; TOWNSHIP OF PUSLINCH	Reid, Shelley Anne Harris & Partners Inc.

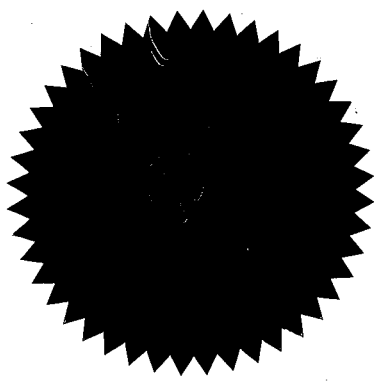
Shareholdings

Individual/Entity	Shares of Corporation
Scott Orin Reid	RHH Rental Properties Ltd.
Scott Orin Reid	Ray's Guide & Charter Services Ltd.

Scott Orin Reid		Peppler Holdings Inc.
Scott Orin Reid	42	Brooklyn Homes Inc.
Scott Orin Reid		34 Holdings Inc.
Shelley Reid		RHP Project Management Co.

TAB T

Court File No. CV-25-00000342-0000



**ONTARIO
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE
JUSTICE TRIMBLE**

)
)
)

**FRIDAY, THE 8th
DAY OF AUGUST, 2025**

B E T W E E N:

(Court Seal)

2243530 ONTARIO INC., 2363134 ONTARIO INC., 2397718 ONTARIO INC.,
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OA HOLDINGS INC., CHRISTOPHER WILIAM HAJT, ERYN KONKLE,
DEREK KONKLE, KONKLE ELECTRIC LTD., EUGENIO LUPO,
VALENTINA LUPO, GEORGE DREER, HARRISON MARK TIBBETTS,
JEFF CUMMINGS, 784328 ONTARIO LIMITED, JOHN FIORE LANNUTTI,
PAULA LANNUTTI, JOHN JUHANI AYRANTO, MARILYN JEAN
AYRANTO, JOHN PAUL MCGARR, JOY SCHUSTER, LYNNE MARIE
BRYDGES, MARY FRANCESCA CASAGRANDE, MICHAEL LOK,
MICHAEL THOMAS RAFTER, LEANNE MARIE RAFTER, ROBERT
ANDREW MCMILLAN, WENROB HOLDING COMPANY LTD., RONALD
SCOTT DAVIES, DEANNA CATHERINE DAVIES, RYAN GILL, BRENDAN
GILL, SHELLEY GILL, SHANNON CASAGRANDE, TAMARA LEIGH
CORLIS, TRIGLAV COMMONS LTD., CATHERINE MIHEVC, WENDY
JEAN KELEHER, WILLIAM ALBERT HAJT, WILLIAM GREGORY
DEVRIES, SUZANNE DEVRIES, CHERRY FOREST PRODUCTS
HOLDINGS LTD., KATHERINE BARANSKI, JOHN BARANSKI, ALBERT
POON, MARY GILBERT POON, ALDO MARTONE personally and in his
capacity as Executor of the ESTATE OF TERESA ANNUNZIATA MARTONE
and as Executor of the ESTATE OF CARMINE MARTONE , GABRIELLA
MARTONE, ALLISON CHARLES MACKINNON a.k.a. AL MACKINNON
personally and in his capacity as Executor of the ESTATE OF MARY FRANCES
MACKINNON, ANNE ZAGAR, VLADIMIR ZAGAR, BROLA INC., BRUCE
MURRAY, NADINE MURRAY, CAROLYNN BELL, MELISSA
CASSELMAN, CHRISTINA MARIE SIBLEY, DONNA LYNN MANCUSO,
CHRISTOPHER SCOTT, REGINA SCOTT, DOROTHY MCGINNIS, BRENT
MCGINNIS, DOUG PFLUG, MICHELLE PFLUG, FRANCO VENTURATO,
JOANNE LACHANCE, GOODCORR PROPERTY MANAGEMENT
SERVICES INC., GRAHAM ROBERT KERR, HEATH DAY, JACQUELINE
CRUICKSHANK, ZACHARY HUTTON HOLDINGS INC., MEREDITH

- 2 -

HUTTON HOLDINGS INC., ANDREW HUTTON HOLDINGS INC., BEN HUTTON HOLDINGS INC., JANET MULHOLLAND, JASON BORGHESE, JULIE BORGHESE, JENNIFER HARRISON, J. MCDONELL REAL ESTATE INC., ANGELA MACDONELL, MARILYN MACDONELL, JOY PETERS, EMILY PETERS, DANIELLE PETERS, KEITH LANGLOIS, LAURA MALCOLM, LINDSAY ALYSON MCCARTHY, ELAINE CATHERINE MCCARTHY, MARIO DI RENZO, MARNEY THOMPSON, MELISSA CYNTHIA DI RENZO, MICHAEL IRELAND, LADONNA IRELAND, CLAUDIO DANIEL, RICHARD ERIC WILLSIE, HEATHER ANN WILLSIE, ROBERT PRICE, KELLY WILTON MEDICINE PROFESSIONAL CORPORATION, RONNY OLAVE, RONALD JAMES GRIMMER, ROSEMARY KEDDY, SONIA RITA DI RENZO, STACY COOPER, CASEY COOPER, CASSIDY-JILL COOPER, WAYNE NEALE, CHAD WARREN WISEMAN, CARLY RENEE EMENY-WISEMAN, THE NEXT GROUP INC., GUERRINO CREMASCO, ELENA CREMASCO, BENJAMIN WILLISTON, SYLVIA BARZOTTI, 534452 ONTARIO INC., 2475677 ONTARIO INC., 2152683 ONTARIO LTD., DARREN CHAPPEL, DARRYL BOWER, DAVID LONG, BRENDA LONG, DAVIDE DI RENZO, FRANCO SCORZIELLO, GRANT THOMPSON, KAREN KENNEDY, LISA FINAMORE, 2228292 ONTARIO INC., MICHELANGELO MACEROLLO, BIANCA SPATOLA, 2838238 ONTARIO INC., A. KIM DENTISTRY PROFESSIONAL CORPORATION, HERMIONE RONA KIM, BENEDETTO DIRENZO, IVA DI-RENZO, LINDA PEGGY MACKILLOP, P.C. MARSH CONSTRUCTION LTD., BRENDA KERR personally and in her capacity as Executor of the ESTATE OF ROBERT BRUCE KERR, SANDRA GAIL KERR by her litigation guardian BRENDA KERR, MELISSA SUZANNE GEORGE and PAOLO FERRANTE

Plaintiffs

-and-

SCOTT ORIN REID, SHELLEY REID, TODD NEILL, MELISSA MACGREGOR, NICHOLAS JONATHAN JAMES LEVITT a.k.a. NICK LEVITT, OMAR JOSEPH ALPARK, CHRISTOFER HEBERT, DEMETER FAMILY OFFICE INC., DEMETER INVESTMENT HOLDINGS, BLAKE SEEBERGER, PENTAGON HOLDINGS, LLC, PENTAGON HOLDINGS, INC., JD EUROWAY FINANCE INC., JD EUROWAY DISTRIBUTION, JD EUROWAY DISTRIBUTION USA, JD EUROWAY CAPITAL PARTNERS LLC, FRITZ ZEPHIR a.k.a. FRITZGERALD ZEPHIR a.k.a. FRITZ GERALD ZEPHIR, OUE SERGE, EMMANUEL SENDY-LOO, DOMENICO GIAMMARELLA, RHH RENTAL PROPERTIES LTD. operating as REID'S HERITAGE PROPERTIES, RHH GRANGE INC., BELLEVILLE APARTMENTS INC., 45 AGNES GP CORP., 45 AGNES HOLDINGS GP INC., JD DEVELOPMENTS INC., DANIEL ALLAN, JULIET ALLAN, LABELLE/RHP STRATFORD INC., LABELLE STRATFORD INC., VAUGHAN ST GP CORP., BOWMANVILLE APARTMENTS INC., HORIZEN DEVELOPMENTS GP CORP., DALLAN APARTMENTS INC.,

GUELPH FARLEY GP CORP., JOSEPH'S PLACE BRESLAU GP CORP.,
 SHERWOOD FOREST SQUARE LTD., SF SQUARE GP CORP.
 FUTURELANDS LTD., RHP REAL INVESTMENTS GP CORP., EVOKE
 DEVELOPMENTS OTTAWA GP CORP., 34 HOLDINGS INC., BROOKLYN
 HOMES INC., THE TOWNS AT FOXBEND INC., 34 HOLDINGS INC.,
 RAY'S GUIDE & CHARTER SERVICE LTD., GARY J. BRAS, CORIANA
 CAPITAL CORPORATION, PEPPLER HOLDINGS INC., PENTAGON-
 REIDS, LP and REID'S HERITAGE HOMES LTD.

Defendants

ORDER
(NORWICH ORDER)

THIS MOTION, made without notice by the Plaintiffs, for a *Norwich* Order (pre-discovery production) from the financial institutions listed in Schedule "A" and any other financial institution receiving this Order ("**Financial Institutions**") related to financial information of the Defendants, ~~Scott Orin Reid~~, Shelley Reid, ~~RHH Rental Properties Ltd. operating as Reid's Heritage Properties~~, The Towns At Foxbend Inc., 34 Holdings Inc., Ray's Guide & Charter Service Ltd., RHH Grange Inc., Belleville Apartments Inc., 45 Agnes GP Corp., 45 Agnes Holdings GP Inc., Labelle/RHP Stratford Inc., Vaughan St GP Corp., Bowmanville Apartments Inc., Horizen Developments GP Corp., Dallan Apartments Inc., Guelph Farley GP Corp., Joseph's Place Breslau GP Corp., Sherwood Forest Square Ltd., ~~SF Square GP Corp.~~, RHP Real Investments GP Corp., Evoke Developments Ottawa GP Corp., Brooklyn Homes Inc., and Pepler Holdings Inc. ("**Mareva Defendants**") was heard on August 8, 2025 at 74 Woolwich Street, Unit B, Guelph, Ontario.

ON READING the Motion Record of the Plaintiffs, Supplementary Motion Record of the Plaintiffs, Second Supplementary Motion Record of the Plaintiffs, the Factum of the Plaintiffs, on

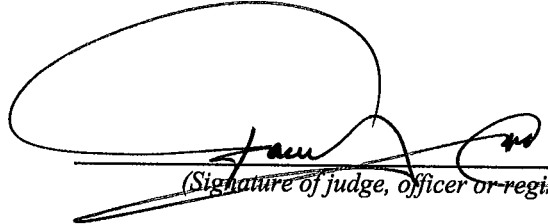
hearing submissions from counsel of the Plaintiffs and on noting the undertaking of the Plaintiffs to indemnify the reasonable costs of compliance with this Order,

NORWICH ORDER

1. **THIS COURT ORDERS** that the Financial Institutions shall within fifteen (15) days of this Order produce to counsel for the Plaintiffs, for the period of January 1, 2020 to the present:
 - (a) copies of all account statements for the Mareva Defendants, listed in Schedule "A" of this Order;
 - (b) a list of any other accounts and copies of all account statements owned by the Mareva Defendants and known to the Financial Institutions;
 - (c) copies of all cheques any of the Mareva Defendants issued from, or deposited to, any of their accounts (in the possession of the Financial Institution) for the period of January 1, 2020 to present; and
 - (d) the identities of the payors, payees, and associated account numbers for all transfers in and out of any of the Mareva Defendants' accounts (if known to the Financial Institutions).
2. **THIS COURT ORDERS** that the Plaintiffs shall reimburse the Financial Institutions their reasonable costs, if any, incurred for complying with this *Norwich* Order.
3. **THIS COURT ORDERS** that any Financial Institutions receiving this Order, and any ancillary orders related to this Motion, will keep confidential the existence and terms of said

Order(s) and not disclose same to the Defendants or any third parties without the consent of the Plaintiffs, until 60 days have passed from the date of the Order(s).

4. **THIS COURT ORDERS** that a copy of this Order and the supporting materials on this Motion shall be served on the Defendants after the Financial Institutions have complied with the requirements of this Order.



(Signature of judge, officer or registrar)

SCHEDULE "A"

Account Holder(s)	Financial Institutions	Account No.
Known Bank Accounts		
Scott Orin Reid	Royal Bank of Canada	
Scott Orin Reid	CIBC	
Scott Orin Reid	Meridian Credit Union	
Scott Orin Reid	Libro Credit Union	
RHH Rental Properties Ltd.	CIBC	6591019
	Transit: 00052	
	Institution: 010	
45 Agnes Holdings LP	CIBC Transit: 00052 Institution: 010	1822012
Vaughan St LP	CIBC Transit: 00052 Institution: 010	1195107
Horizen Developments LP	CIBC Transit: 00052 Institution: 010	9602615
SF Square GP Corp	CIBC	1822810
SF Square LP Corp	Transit: 00052	
Sherwood Forest Square Ltd.	Institution: 010	
RHH Rental Properties	CIBC	9181318
	Transit: 00052	
	Institution: 010	
RHP Real Estate Investments LP	CIBC Transit: 00052 Institution: 010	2800039658

TAB U



Court File No. CV-25-00000342-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE
JUSTICE TRIMBLE**

)
)
)

**TUESDAY, THE 19th
DAY OF AUGUST, 2025**

B E T W E E N:

(Court Seal)

2243530 ONTARIO INC., 2363134 ONTARIO INC., 2397718 ONTARIO INC.,
2446672 ONTARIO INC., 2697515 ONTARIO INC., ALFIO CASAGRANDE,
OA HOLDINGS INC., CHRISTOPHER WILIAM HAJT, ERYN KONKLE,
DEREK KONKLE, KONKLE ELECTRIC LTD., EUGENIO LUPO,
VALENTINA LUPO, GEORGE DREER, HARRISON MARK TIBBETTS,
JEFF CUMMINGS, 784328 ONTARIO LIMITED, JOHN FIORE LANNUTTI,
PAULA LANNUTTI, JOHN JUHANI AYRANTO, MARILYN JEAN
AYRANTO, JOHN PAUL MCGARR, JOY SCHUSTER, LYNNE MARIE
BRYDGES, MARY FRANCESCA CASAGRANDE, MICHAEL LOK,
MICHAEL THOMAS RAFTER, LEANNE MARIE RAFTER, ROBERT
ANDREW MCMILLAN, WENROB HOLDING COMPANY LTD., RONALD
SCOTT DAVIES, DEANNA CATHERINE DAVIES, RYAN GILL, BRENDAN
GILL, SHELLEY GILL, SHANNON CASAGRANDE, TAMARA LEIGH
CORLIS, TRIGLAV COMMONS LTD., CATHERINE MIHEVC, WENDY
JEAN KELEHER, WILLIAM ALBERT HAJT, WILLIAM GREGORY
DEVRIES, SUZANNE DEVRIES, CHERRY FOREST PRODUCTS
HOLDINGS LTD., KATHERINE BARANSKI, JOHN BARANSKI, ALBERT
POON, MARY GILBERT POON, ALDO MARTONE personally and in his
capacity as Executor of the ESTATE OF TERESA ANNUNZIATA MARTONE
and as Executor of the ESTATE OF CARMINE MARTONE , GABRIELLA
MARTONE, ALLISON CHARLES MACKINNON a.k.a. AL MACKINNON
personally and in his capacity as Executor of the ESTATE OF MARY FRANCES
MACKINNON, ANNE ZAGAR, VLADIMIR ZAGAR, BROLA INC., BRUCE
MURRAY, NADINE MURRAY, CAROLYNN BELL, MELISSA
CASSELMAN, CHRISTINA MARIE SIBLEY, DONNA LYNN MANCUSO,

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CHRISTOPHER SCOTT, REGINA SCOTT, DOROTHY MCGINNIS, BRENT MCGINNIS, DOUG PFLUG, MICHELLE PFLUG, FRANCO VENTURATO, JOANNE LACHANCE, GOODCORR PROPERTY MANAGEMENT SERVICES INC., GRAHAM ROBERT KERR, HEATH DAY, JACQUELINE CRUICKSHANK, ZACHARY HUTTON HOLDINGS INC., MEREDITH HUTTON HOLDINGS INC., ANDREW HUTTON HOLDINGS INC., BEN HUTTON HOLDINGS INC., JANET MULHOLLAND, JASON BORGHESE, JULIE BORGHESE, JENNIFER HARRISON, J. MCDONELL REAL ESTATE INC., ANGELA MACDONELL, MARILYN MACDONELL, JOY PETERS, EMILY PETERS, DANIELLE PETERS, KEITH LANGLOIS, LAURA MALCOLM, LINDSAY ALYSON MCCARTHY, ELAINE CATHERINE MCCARTHY, MARIO DI RENZO, MARNEY THOMPSON, MELISSA CYNTHIA DI RENZO, MICHAEL IRELAND, LADONNA IRELAND, CLAUDIO DANIEL, RICHARD ERIC WILLSIE, HEATHER ANN WILLSIE, ROBERT PRICE, KELLY WILTON MEDICINE PROFESSIONAL CORPORATION, RONNY OLAVE, RONALD JAMES GRIMMER, ROSEMARY KEDDY, SONIA RITA DI RENZO, STACY COOPER, CASEY COOPER, CASSIDY-JILL COOPER, WAYNE NEALE, CHAD WARREN WISEMAN, CARLY RENEE EMENY-WISEMAN, THE NEXT GROUP INC., GUERRINO CREMASCO, ELENA CREMASCO, BENJAMIN WILLISTON, SYLVIA BARZOTTI, 534452 ONTARIO INC., 2475677 ONTARIO INC., 2152683 ONTARIO LTD., DARREN CHAPPEL, DARRYL BOWER, DAVID LONG, BRENDA LONG, DAVIDE DI RENZO, FRANCO SCORZIELLO, GRANT THOMPSON, KAREN KENNEDY, LISA FINAMORE, 2228292 ONTARIO INC., MICHELANGELO MACEROLLO, BIANCA SPATOLA, 2838238 ONTARIO INC., A. KIM DENTISTRY PROFESSIONAL CORPORATION, HERMIONE RONA KIM, BENEDETTO DIRENZO, IVA DI-RENZO, LINDA PEGGY MACKILLOP, P.C. MARSH CONSTRUCTION LTD., BRENDA KERR personally and in her capacity as Executor of the ESTATE OF ROBERT BRUCE KERR, SANDRA GAIL KERR by her litigation guardian BRENDA KERR, MELISSA SUZANNE GEORGE and PAOLO FERRANTE

Plaintiffs

-and-

SCOTT ORIN REID, SHELLEY REID, TODD NEILL, MELISSA MACGREGOR, NICHOLAS JONATHAN JAMES LEVITT a.k.a. NICK LEVITT, OMAR JOSEPH ALPARK, CHRISTOFER HEBERT, DEMETER FAMILY OFFICE INC., DEMETER INVESTMENT HOLDINGS, BLAKE SEEBERGER, PENTAGON HOLDINGS, LLC, PENTAGON HOLDINGS, INC., JD EUROWAY FINANCE INC., JD EUROWAY DISTRIBUTION, JD EUROWAY DISTRIBUTION USA, JD EUROWAY CAPITAL PARTNERS LLC, FRITZ ZEPHIR a.k.a. FRITZGERALD ZEPHIR a.k.a. FRITZ GERALD ZEPHIR, OUE SERGE, EMMANUEL SENDY-LOO, DOMENICO GIAMMARELLA, RHH RENTAL PROPERTIES LTD. operating as REID'S

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HERITAGE PROPERTIES, RHH GRANGE INC., BELLEVILLE APARTMENTS INC., 45 AGNES GP CORP., 45 AGNES HOLDINGS GP INC., JD DEVELOPMENTS INC., DANIEL ALLAN, JULIET ALLAN, LABELLE/RHP STRATFORD INC., LABELLE STRATFORD INC., VAUGHAN ST GP CORP., BOWMANVILLE APARTMENTS INC., HORIZEN DEVELOPMENTS GP CORP., DALLAN APARTMENTS INC., GUELPH FARLEY GP CORP., JOSEPH'S PLACE BRESLAU GP CORP., SHERWOOD FOREST SQUARE LTD., SF SQUARE GP CORP. FUTURELANDS LTD., RHP REAL INVESTMENTS GP CORP., EVOKE DEVELOPMENTS OTTAWA GP CORP., 34 HOLDINGS INC., BROOKLYN HOMES INC., THE TOWNS AT FOXBEND INC., 34 HOLDINGS INC., RAY'S GUIDE & CHARTER SERVICE LTD., GARY J. BRAS, CORIANA CAPITAL CORPORATION, PEPPLER HOLDINGS INC., PENTAGON-REIDS, LP and REID'S HERITAGE HOMES LTD.

Defendants

ORDER

(Re: Receivership of Horizen Developments GP Corp.)

THIS MOTION was heard this day at the Courthouse at 74 Woolwich Street, Unit B, Guelph, Ontario.

ON CONSENT of the Plaintiffs and ADJ Holdings Inc., a secured creditor of Horizen Developments GP Corp. and proposed applicant in the Superior Court of Justice at London, Ontario in a receivership proceeding to be commenced (the "**Receivership Proceeding**"), and on hearing submissions of counsel for the Plaintiffs and counsel for ADJ Holdings Inc.,

1. **THIS COURT ORDERS** that the terms of the Order of the Honourable Justice Trimble dated August 8, 2025 as it relates to Horizen Developments GP Corp., do not apply to BDO Canada Limited as the proposed receiver of Horizen Developments GP Corp. (the "**Proposed Receiver**"). ADJ Holdings Inc. is authorized to apply for an order appointing BDO Canada Ltd. as the receiver of Horizen Developments GP Corp. The Proposed Receiver shall not be required

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to seek leave or approval of the Court in the within proceedings for any step or action to be taken by the Proposed Receiver.

2. **THIS COURT ORDERS** that counsel for the Plaintiffs in the Plaintiffs' Action be added to the service list in the Receivership Proceeding and be given notice of all future motions brought in the Receivership Proceeding.

3. **THIS COURT ORDERS** that any Stay of Proceedings imposed by the order appointing the Proposed Receiver will not operate in respect of the Plaintiffs' Action, including in respect of Justice Trimble's Norwich Order dated August 8, 2025 (the "**Norwich Order**"), and the Plaintiffs are hereby granted leave to continue with the Plaintiffs' Action, including the relief contained in the Mareva Order and the Norwich Order, on the condition that the Plaintiffs' Action does not prevent or otherwise interfere with the Proposed Receiver's performance and completion of its powers and obligations under the Order appointing the Proposed Receiver.

4. **THIS COURT ORDERS** that, subject to further Order of this Court obtained on notice to the Receiver, the Receiver shall not be required to participate in or defend the Plaintiffs' Action or to incur any costs in respect of the Plaintiffs' Action, nor be subject to discovery or production without compensation for same, nor shall any costs be awarded against the Receiver.

5. **THIS COURT ORDERS** that the time for service and filing of this Motion is abridged and validated so that this Motion is returnable today.

6. **THIS COURT ORDERS** that a copy of this Order is to be filed in the Court File in the Receivership Proceeding.

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Jamie
Trimble

Digitally signed
by Jamie
Trimble
Date: 2025.08.19
16:15:50 -04'00'

(Signature of judge, officer or registrar)

2243530 ONTARIO INC *et al.*
Plaintiffs

-and-

SCOTT ORIN REID *et al.*
Defendants

Court File No. CV-25-00000342-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
GUELPH

ORDER
(Re: Receivership of Horizon Developments GP Corp.)

MCKENZIE LAKE LAWYERS LLP
100 Stone Road West, Suite 300
Guelph, ON N1G 5L3

Alexander Verrilli (76764Q)
alexander.verrilli@mckenzielake.com
Tel: 519-826-4333

Lawyers for the Plaintiffs

RCP-F 4C (September 1, 2020)

TAB V

SET OF STANDARD CHARGE TERMS
Land Registration Reform Act

Province of Ontario

Filed by ADJ Holdings Inc.

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE

Filing No. 2016-04 Code
Filing Date Feb. 10th 2016 Date de Dépôt
Page 1 of de 33 Pages

DIRECTOR OF TITLES
DIRECTRICE DES DROITS IMMOBILIERS



The following set of standard mortgage terms is included in every charge/mortgage in which the set is referred to by its filing number, as provided by section 9 of the *Land Registration Reform Act*, or, as the case may be, in every charge/mortgage to which it is attached, except to the extent that the provisions of these terms are modified by additions, amendments or deletions as set forth elsewhere in the charge/mortgage.

PART I - DEFINITIONS

1. DEFINITIONS

In this set of standard mortgage terms, unless otherwise defined or the context in which they are used necessarily otherwise requires, the following words and expressions mean:

- (a) **Applicable Law** means any law, statute, rule, requirement, demand, order, direction, code, guideline, ordinance, by-law, policy or regulation of any government, governmental authority or agency as may be applicable, whether to the Land, your Property or otherwise, including but not limited to those pursuant to which you provide the Mortgage to us and which govern the Mortgage, all as may be amended, enacted, re-enacted, replaced or substituted from time to time;
- (b) **approved, approve, approval, agreed and agree** mean, when referring to us, agreed to by us in writing;
- (c) **Balance Due Date** means the date set out in a Loan Details Area and identified or described as such, and this expression also means such date as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (d) **Condominium Act** means the *Condominium Act, 1998*, (Ontario) and all regulations thereunder, as such legislation is amended, enacted, re-enacted, replaced or substituted from time to time;
- (e) **Current Mortgage Rate** means the Interest Rate applicable to the Loan at any particular time or as described or provided for in paragraph 2(a)(ii) of Part III of these Terms;
- (f) **Current Reinvestment Rate** means, on a date of prepayment referred to in paragraph 3 of Part III of these Terms, the Interest Rate at which we would lend to you on the security of a similar mortgage on your Property for a term starting on such date of prepayment and ending on the then existing Balance Due Date;
- (g) **Deferred Interest** means interest described as such in paragraph 2(a)(ii) of Part III of these Terms or otherwise;
- (h) **First Payment Date** means the date set out in a Loan Details Area and identified or described as such, and also means such date as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (i) **Guarantor** means any person, and all such persons, who signs the Mortgage as a guarantor or as a covenantor or indemnifier;
- (j) **Hazardous Substance** means a substance or condition that is prohibited, controlled or otherwise regulated or is otherwise hazardous in fact such as contaminants, pollutants, toxic, dangerous or hazardous substances, toxic, dangerous or hazardous materials, designated substances, controlled products, including without limitation wastes, subject wastes, urea formaldehyde foam type of insulation, asbestos or asbestos-containing materials, PCBs or PCB contaminated fluids or equipment, explosives, home heating oil, radioactive substances, petroleum and associated products, former or current use as a burial ground, underground storage tanks or surface impoundments and, without limiting the generality of the foregoing, any illegal substance, including the growth or manufacture thereof, shall be deemed to be a Hazardous Substance;

- (k) **Interest Adjustment Date** means the date set out in a Loan Details Area and identified or described as such, and also means such date as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (l) **Interest Rate** means the rate set out in a Loan Details Area and identified or described as such, and also means such rate as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (m) **Land** means the lands and properties legally described in a Loan Details Area or in a part of the Mortgage other than these Terms, and identified or described as such;
- (n) **Last Payment Date** means the date set out in a Loan Details Area and identified or described as such, and also means such date or as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (o) **Lease** means the lease, sublease or agreement to lease under which you now or hereafter hold possession of your Property as lessee, tenant, sublessee or subtenant thereof (which is referred to in paragraph 1(b) of Part IV of these Terms);
- (p) **Loan** means a particular loan or credit facility which the Mortgage is intended to secure and which may be referred to in the Loan Agreement;
- (q) **Loan Agreement** means the agreement, whether in the form of a letter agreement or a more formal agreement (if any such agreement has been or is hereafter entered into) between you and us which refers to or provides for the making of the Loan by us to you, and includes any promises or representations which you make in any application to us for the Loan and any communication we make to you renewing, extending or amending the terms of the Loan, the Loan Agreement and/or the Mortgage, together with all other amendments, supplements and restatements of the Mortgage and/or of the Loan Agreement as may from time to time exist;
- (r) **Loan Amount** means the Principal Amount, interest and all other amounts owing to us from time to time under and as secured by the Mortgage;
- (s) **Loan Details Area** means any portion, paragraph, area, box or field in a part of the Mortgage other than these Terms, or in a part of the Loan Agreement, in which information or data pertaining to the indebtedness secured or intended to be secured by the Mortgage is set forth, and includes any amendments or renewals thereto from time to time, and any reference in these Terms to any identified part of the Loan Details Area shall be interpreted as being a reference to the relevant information whether identified by the exact wording referencing the Loan Details Area or otherwise;
- (t) **Mortgage**, when used as a noun, means a mortgage or charge given by you to us to secure the Loan into which these Terms are incorporated or to which they are attached, and includes all components of said mortgage or charge in addition to these Terms, and any renewals or amendments to such mortgage or charge and, without limiting the generality of the foregoing, includes, for the non-electronic paper-based registration system, the mortgage or charge of your Property signed by you in the Form 2 Charge/Mortgage of Land and any schedules attached to it or, for the electronic registration system, the mortgage or charge of your Property given by you to us pursuant to your signed authorization and direction, and prepared in the electronic format and registered electronically pursuant to the *Land Registration Reform Act* (Ontario) or any successor thereto, it being noted that the Mortgage is and shall be in addition to and not in substitution for any other security held by us or given to us by you;
- (u) **Mortgage Document** means all components of the Mortgage except these Terms, except that if these Terms are physically attached to the rest of the Mortgage Document rather than being incorporated by reference thereto into the Mortgage, then "Mortgage Document" has the same meaning herein as given to the word "Mortgage";
- (v) **Mortgage Prime Rate** means that fluctuating rate of interest charged by the head office of the Royal Bank of Canada called by the Royal Bank of Canada as its prime rate, as is designated by the Royal Bank of Canada from time to time, or by us or of any other Canadian financial institution (a chartered bank, trust company, loan company, credit union or caisse populaire) we may announce (or have previously announced) from time to time;
- (w) **Obligations** means your present and future obligations to pay the indebtedness secured by the Mortgage in accordance with your promises and agreements pertaining to same (including those contained in the Mortgage, those contained in the Loan Agreement, those contained in these Terms, and those contained in any other present or future agreement which you and we may enter into, modifying or adding to the Obligations or any of them), together with all other obligations which you now or in the

- future owe to us whether under the terms of the Mortgage, the Loan Agreement or otherwise, and includes strict compliance by you of all such promises and agreements;
- (x) **Original Amortization Period** means the period set out in a Loan Details Area or in the Loan Agreement and identified or described as such, and also means such period as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (y) **paragraph** refers to a numbered paragraph in these Terms;
- (z) **Payment Frequency** means the frequency of payment required for Regular Payment Amounts set out in a Loan Details Area and identified or described as such, and also means such frequency as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (aa) **Principal Amount** means the amount set out in a Loan Details Area and identified or described as such, and also means such amount as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (bb) **Registry Office** means the office from time to time established under Applicable Law for the registration, filing or similar recording of the Mortgage, and which includes a record or records of the Land and interests (or some of the interests) therein;
- (cc) **Regular Payment Amount** means the amount set out in a Loan Details Area and identified or described as Payments, and also means such amount as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (dd) **Regular Payment Date** means the date set out in a Loan Details Area and identified or described as the Payment Date, and also means such date as changed in accordance with the terms of the Mortgage or as agreed between you and us;
- (ee) **Schedule** means any document or schedule (except these Terms) attached to and forming part of the Mortgage Document;
- (ff) **statutory holiday** means every "public holiday" as defined in the *Employment Standards Act, 2000*, (Ontario), every "holiday" as defined in the *Interpretation Act* (Canada), and every day on which our financial institution does not process deposits;
- (gg) **Term** means the period of time commencing with the Interest Adjustment Date and ending on the Balance Due Date, or, if increased, decreased or renewed or extended in accordance with the terms of the Mortgage or as agreed between you and us, the then existing term so established as the term of the Loan;
- (hh) **Terms** means this set of standard mortgage terms incorporated into any mortgage which you provide to us and which is either incorporated (pursuant to Applicable Law) by reference thereto into the Mortgage in a part of the Mortgage other than these Terms, or which is physically attached to and forms part of the Mortgage Document;
- (ii) **Variable Rate Loan** means any of a Variable Rate Closed Loan and a Variable Rate Open Loan, as those terms are defined below;
- (ij) **we, our** and **us** mean the mortgagee or chargee described in a Loan Details Area and identified or described as such, and the successors and assigns of the mortgagee or chargee;
- (kk) **you** and **your** mean each person who signs the Mortgage as mortgagor or chargor, and the successors and assigns of each mortgagor or chargor; and
- (ll) **your Property** means the Land and all buildings and structures now on same or later added, and anything now or later attached to or affixed to the building or the Land or placed on and used in connection with them, including but not limited to additions, alterations, substitutions and improvements, together with all growing things (including crops and trees and products of the soil) on, under or upon the Land, and, unless legally excluded from your ownership of the Land, all mines and minerals and sand and gravel on, under or upon same, and together with all from time to time existing easements, covenants, powers, privileges and other rights appurtenant to or benefiting the Land.

Unless otherwise specified in a part of the Mortgage other than these Terms, all statements of or references to money amounts shall be taken to mean and refer to amounts in Canadian dollars.

STANDARD CHARGE TERMS
 CLAUSES TYPES DE CHARGE
 Filing No. 201604 Cote

PART II - MORTGAGING AND PROMISE TO FULFILL OBLIGATIONS

1. WHAT THIS MORTGAGE DOES / YOUR BASIC PROMISES

In return for our extending credit to you (including our making the Loan or any of it to you from time to time):

- (a) you promise and agree to pay, fulfill and perform all of the Obligations in accordance with their terms, and you promise us that all representations or other statements which you have made to us, or which you make to us in the future, pertaining to the Loan, the indebtedness now or in the future secured by the Mortgage and your Property, contained in the Loan Agreement, in the Mortgage or elsewhere is now and will, as and when made in the future, be true and correct; and
 - (i) to secure the payment, fulfillment and performance of the Obligations, if you are the owner of your Property, you mortgage and charge to us your entire present and future interests in your Property; or
 - (ii) to secure the payment, fulfillment and performance of the Obligations, if you are a tenant or lessee of your Property under a Lease, you mortgage, charge and sublease to us your entire present and future interests (including any present or future option or right of first refusal to purchase and any present or future option or right given to you to renew or extend any term of your Lease) in your Property, for the term of the Lease, including any renewals or extensions of the term of the Lease (excepting always, in all cases, the last day of any such original or renewed or extended term); and
- (b) our interest in your Property ends only when you have paid, fulfilled and performed all of the Obligations and you and we have agreed that the Mortgage will thereafter not be available to secure new credit or advances, as evidenced by the Mortgage being discharged pursuant to these Terms.

2. CONDITIONS PRECEDENT

(a) Conditions Precedent to the Initial Advance

Our obligation to make available the initial advance under this Mortgage is subject to the terms and conditions of the Loan Agreement and the Mortgage and is conditional upon receipt of the documents listed below and satisfactory evidence being given to us and our lawyer as to compliance with the following conditions:

- (i) all documents, including this Mortgage, being in forms prepared or approved by us, being executed and delivered to us or our lawyer;
- (ii) registration, recording, filing and/or perfecting in all jurisdictions of all security deemed necessary by us and our lawyer;
- (iii) you providing us with all certificates, resolutions and legal opinions requested by us or our lawyer;
- (iv) you being in good standing with all necessary permits, licenses, authorizations and other approvals as may be required to enter into the Mortgage;
- (v) you paying us all fees, expenses and other amounts due and payable to us, unless we agree to deduct such fees from the initial or a subsequent advance;
- (vi) completion by us of all our due diligence with respect to you and any Guarantor, and being satisfied with the results in our sole discretion;
- (vii) receipt by us of all information and documentation executed by you that is required for the purposes of establishing payments to be made by pre-authorized withdrawal;
- (viii) receipt by us of a commitment to title insure from a reputable title insurer confirming that a lender's title insurance policy is in effect in such amounts and with such endorsements as are required by us;
- (ix) receipt by us of a certificate of insurance in respect of all policies of insurance maintained by you confirming compliance with these Terms; and

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- (x) receipt by us, to our satisfaction, of any other documents, agreements or statements as may be required by us, whether provided in the Loan Agreement or otherwise.

(b) Conditions Precedent to All Advances

Our obligation to make available the initial advance under this Mortgage and any other advance subsequent to the initial advance and to perform our other obligations under this Mortgage is subject to these Terms and is conditional upon our receipt of the documents listed below and satisfactory evidence being given to us and our lawyer as to compliance with the following conditions:

- (i) receipt by us of a duly executed notice of borrowing in respect of the requested advance;
- (ii) the representations and warranties of you in the Loan Agreement, the Mortgage and these Terms being true and correct in all material respects as if made on and as of the date of each advance;
- (iii) no material adverse change having occurred since the date of the most recent financial reporting delivered by you to us;
- (iv) the Loan Agreement and the Mortgage being in full force and effect;
- (v) no default having occurred, and satisfactory evidence that no default would occur as a result of the advance;
- (vi) all conditions on each advance being satisfied in our sole opinion;
- (vii) all indebtedness owing to any creditor by you as determined by us being repaid in full on or before the advance is made;
- (viii) confirmation to our satisfaction that the advance shall have such priority as agreed to by us, provided that if no priority is specified in the Loan Agreement the Loan Agreement will be deemed to require that the Mortgage and any other security given to us must form a first charge/mortgage on your Property; and
- (ix) receipt by us, to our satisfaction, of any other documents, agreements or statements as may be required by us, whether provided in the Loan Agreement or otherwise.

(c) Waiver of Conditions

The conditions provided for in this paragraph 2 of Part II of these Terms are for our sole and exclusive benefit. We may agree to waive such conditions precedent, in whole or in part, with or without conditions, without prejudice to any other or future rights that we may have against you and any other person.

PART III - TERMS OF PAYMENT AND REPAYMENT OF YOUR MORTGAGE LOAN

1. TYPES OF MORTGAGE LOANS

For the purpose of stating different types of payment/repayment terms and provisions which, unless otherwise specified in the Mortgage, will apply to different types of loans which we make to you and which are secured by the Mortgage, loans which we may make are categorized as follows (and are referred to as such elsewhere in these Terms and/or elsewhere in the Mortgage):

- (a) "Fixed Rate Closed Loan";
- (b) "Fixed Rate Open Loan";
- (c) "Variable Rate Closed Loan"; and
- (d) "Variable Rate Open Loan".

If the Loan we are making to you and which is to be secured by the Mortgage falls within one of the above-described categories of mortgage loans, the same will be indicated by a reference to the appropriate category in a Loan Details Area or in a part of the Mortgage other than these Terms.

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If the type of mortgage is not set forth in a Loan Details Area or in a part of the Mortgage other than these Terms then the Mortgage will, if the Interest Rate is a fixed rate, be deemed to be a Fixed Rate Closed Loan or, if the Interest Rate is a variable rate or a rate referenced in relation to the Mortgage Prime Rate (whether by that name or otherwise), be deemed to be a Variable Rate Closed Loan, subject always to the provisions set forth in a Loan Details Area or in a part of the Mortgage other than these Terms.

2. INTEREST RATE AND REGULAR PERIODIC PAYMENTS

(a) Determination and Application of Interest Rate:

Unless otherwise specified in a Loan Details Area or in a part of the Mortgage other than these Terms, the provisions following each subheading apply only to the type(s) of Loan(s) specified in the applicable subheading:

(i) Fixed Rate Open Loans and Fixed Rate Closed Loans

The Interest Rate payable by you is the fixed rate per annum specified in a Loan Details Area showing same and it is compounded periodically as specified in the Loan Details Area showing same. If the periodic compounding of interest specified in a Loan Details Area showing same is semi-annual, the first semi-annual compounding of interest will take place on the date which is six months after the Interest Adjustment Date, and thereafter, semi-annual compounding of interest will be made at six-month intervals. Interest is payable on the Loan Amount at this rate both before and after the Balance Due Date, default, acceleration and judgment, until the Loan Amount has been paid in full. If interest is compounded more or less frequently than semi-annually, as may be specified in a Loan Details Area showing same, compounding of interest will be made at the frequency indicated in a Loan Details Area showing same with the first calculation to be made on the appropriate date, based on such frequency, following the Interest Adjustment Date, and thereafter at the same frequency. If no compounding period is identified in a Loan Details Area, interest shall compound semi-annually as provided above.

If you do not make your Regular Payment Amount payments or any other payment when required under the Mortgage, we will charge interest at the Interest Rate on all overdue amounts (including on overdue interest), payable and, if not paid, compounded at the same frequencies as are specified in the Mortgage for interest which is payable on the Loan Amount prior to default, such interest to be payable both before and after the Balance Due Date, default, acceleration and judgment. This additional interest must be paid by you immediately when we require, whether we ask for it before or after the Balance Due Date, default, acceleration or judgment.

(ii) Variable Rate Closed Loans and Variable Rate Open Loans

The Interest Rate payable by you is a variable rate per annum equal to the Mortgage Prime Rate plus or minus a certain number of percentage points per annum as specified in a Loan Details Area showing same. The Interest Rate will change each time there is a change in the Mortgage Prime Rate. Notice of changes to the Mortgage Prime Rate will be given via updates either on the web site of the financial institution setting the Mortgage Prime Rate or on our web site or otherwise provided by us to you. At any particular time, the Interest Rate chargeable under the Mortgage is called the "**Current Mortgage Rate**", and for all purposes shall be deemed to be the Interest Rate from time to time. Interest is payable monthly, compounded monthly not in advance and is payable on the Loan Amount both before and after the Balance Due Date, default, acceleration and judgment, until the Loan Amount has been paid in full.

The Mortgage Prime Rate and the Current Mortgage Rate payable on the Loan Amount remain in effect until varied as above. The Interest Rate will still vary even if we fail to send you such a notice or you fail to receive it or the web site is not functioning or you are unable to access the web site. The Mortgage Prime Rate in effect at any time is available from us either on our web site or on the web site for the financial institution setting the Mortgage Prime Rate (provided that you can access same and it is functioning), or at the telephone number (provided that it is working and you can access it) provided to you in the Loan Agreement or in such other manner as we have otherwise advised you.

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The amount of interest that has accumulated on the Loan Amount from one Regular Payment Date to the next which exceeds the Regular Payment Amount is called "**Deferred Interest**". On the next Regular Payment Date, all interest which has accumulated on Deferred Interest from the previous Regular Payment Date shall be added to and become part of the Loan Amount and will bear interest from and including the Regular Payment Date at the Current Mortgage Rate.

If you do not make your Regular Payment Amount payments or any other payment when required under the Mortgage, we will charge interest at the Interest Rate on all overdue amounts (including on overdue interest), payable and, if not paid, compounded at the same frequencies as are specified in the Mortgage for interest which is payable on the Loan Amount prior to default, such interest to be payable both before and after the Balance Due Date, default, acceleration and judgment. This additional interest must be paid by you immediately when we require, whether we ask for it before or after the Balance Due Date, default, acceleration or judgment.

(b) Regular Repayment of the Loan Amount:

(i) Currency and Place

You will pay the Loan Amount to us at the address set out in a Loan Details Area showing same or at such other address as may be stated in the Loan Agreement or as may be otherwise advised to you by us. We may change the place for you to make payments by notice to you at any time. Monies received by us after 1:00 p.m. (or such other time as we may advise you of from time to time) or on a Saturday, Sunday or statutory holiday shall be deemed to be received on and shall not be applied as a payment until the next day which is not a Saturday, Sunday or statutory holiday.

(ii) Interest Adjustment Date

Unless the Loan is a construction financing Loan so that the provisions of paragraph 8 of Part IV apply, interest on advances up to the Interest Adjustment Date will be calculated utilizing simple interest (although if not paid when required by us, interest will be charged on such overdue interest at your Interest Rate) at the rate in effect on the date of each advance, and at our option, such interest will be paid by you monthly in arrears on the first day of each month, or may be deducted by us from any advance or advances we make, or may be deducted by us from the last advance made by us prior to the Interest Adjustment Date. If you have a Variable Rate Loan, interest will be applied at the rate in existence at the time of the making of the first advance, and will be adjusted thereafter from time to time (both before and after the Interest Adjustment Date) at the from time to time existing Current Mortgage Rate.

(iii) Regular Payment Amount Payments

You will make regular payments of principal and interest to us in amounts equal to the Regular Payment Amount on each of the Regular Payment Dates periodically as specified in the Mortgage or in the Loan Agreement, starting with the First Payment Date and continuing to and including the Last Payment Date. The full unpaid balance of the Loan Amount shall be payable on the Balance Due Date, or if the Balance Due Date is the same as the Last Payment Date, you will make such payment in full on the Last Payment Date. When not in default, you shall have the privilege of changing your Payment Frequency to any other Payment Frequency then currently offered by us applicable to your Term, provided that you give us not less than ten days' prior notice of your wish to make such change. If your Payment Frequency is so changed, then corresponding changes will be made to your Regular Payment Date and any other terms of the Loan required by virtue of such change in the Payment Frequency. Should you choose to exercise this privilege, an interest adjustment amount may be payable by you. In the event that no Payment Frequency is specified in a Loan Details Area, the Payment Frequency shall be monthly unless otherwise agreed to by us.

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(iv) Mandatory Change in Term and/or Amortization

This paragraph applies only to Variable Rate Loans. The Regular Payment Amount is fixed during the Term, unless changed by you pursuant to the terms of the Loan as contained in the Loan Agreement or in the Mortgage. The Interest Rate for your Loan, however, may be subject to variations as set forth above. Regular Payment Amounts are applied to the current interest on the outstanding principal owing up to the date of such payment, and then the balance, if any, to the Principal Amount. If the Interest Rate increases, a larger portion of the Regular Payment Amount will be applied to interest, and a smaller portion to principal, with the result that the balance owing on the Balance Due Date may be larger than the amount originally advanced to you by us (or the amount which would have been due on the Balance Due Date if this had not happened). If the Interest Rate rises above the rate which has been utilized to determine your Regular Payment Amount with the result that your Regular Payment Amount will no longer cover the interest portion of your Loan owing, then at our option, the Original Amortization Period for the Loan may increase, or you will be required to increase the amount of the Regular Payment Amount so that the Loan will be paid in full over the Original Amortization Period less the amount of time which has elapsed since the Interest Adjustment Date to the date when we make this determination and requirement.

(v) Alternative Payment Provisions on Default

If you fail to make any payment or do not fulfill and perform any of the others of the Obligations, you must immediately pay to us all outstanding arrears. We may, if we wish, also require you to make all subsequent payments of principal and interest, taxes and life insurance premiums (if applicable) on a monthly basis. In such an event, we may also require you to pay interest to the first day of the following month within fifteen days of notice from us for same, which will be added to the Loan Amount if you do not do so. We may also exercise the rights which we additionally have under paragraph 14 of Part IV of these Terms if a payment owed by you is dishonoured, or not made or not made in full.

(vi) Bank Account for Payments

You must maintain an account with a Canadian financial institution (a chartered bank, trust company, credit union or caisse populaire) and provide us with authorization to automatically debit each payment of principal, interest, taxes (if paid to us) and life insurance premium (if applicable) when due. You must make sure that the account always contains sufficient funds to meet each payment. Failure to maintain sufficient funds in the account, cancellation of the authorization or closing of the account will be considered to be a default under the Mortgage. You agree to pay us our from time to time administration and processing fees for any actions which we have to take under this paragraph.

(vii) Application of Your Payments

Each payment by you of the Regular Payment Amount or otherwise will be applied in the following order: (a) to pay collection expenses, if any; (b) to reimburse us for or to pay any fees, charges or expenses owing to us; (c) to bring into good standing any accounts in which funds are held pending payment to third parties, including accounts which are or have been debited in respect of the Loan or the Mortgage, including tax accounts and life insurance premiums (if any); (d) to pay interest or to reduce the interest on the Principal Amount accumulated to but not including the date upon which such Regular Payment Amount is received; and (e) to reduce the Principal Amount of the Loan Amount. However, if you are in default of any of the Obligations, we may apply your payment or any other money we receive without needing to comply with the order provided above. You must pay arrears of interest by separate payment, as your Regular Payment Amount will not be applied to such interest. Information concerning the amount of interest in arrears may be obtained by contacting us.

(viii) Interest-Only Mortgages

Notwithstanding any other provision of the Terms, we may agree, in an exercise of our sole discretion, that some or all of your Regular Payment Amount shall be applied to interest and not to principal. If your Mortgage in an interest-only Mortgage, being defined as such in a Loan Details Area or as otherwise agreed to

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by us, then you will make regular payments of interest only, to us in amounts equal to the Regular Payment Amount on each of the Regular Payment Dates, starting with the First Payment Date and continuing to and including the Last Payment Date. All other provisions of these Terms apply to an interest-only Mortgage, amended as may be required to provided that, during the Term, you will not be making any payments towards the Principal Amount. The Principal Amount, plus any unpaid interest, plus any interest on unpaid interest, plus any other sums owing by you to us in relation to the Mortgage, is to be paid by you to us in full on the Balance Due Date, or if the Balance Due Date is the same as the Last Payment Date, then on the Last Payment Date. Unless we have agreed to allow you to prepay any or all of your Loan amount, any amounts paid by you to us beyond the amount of interest then owing will not be applied by us against the Principal Amount but held by us, without interest, to be applied against the Principal Amount then owing on the Balance Due Date, or if the Balance Due Date is the same as the Last Payment Date, then on the Last Payment Date.

(ix) Compounded Interest

If you do not pay your Regular Payment Amount on each of the Regular Payment Dates or as otherwise required by the Mortgage, we will charge interest on all overdue amounts, including unpaid interest. Compound interest is payable both before and after the Balance Due Date, before and after default, and before and after any court judgment obtained against you. If we demand it, you must pay us this compound interest immediately. Subject and pursuant to paragraph 2(b)(ii) of Part III of these Terms, compound interest is calculated at your Interest Rate.

3. PARTICULAR RIGHTS/PRIVILEGES

Unless otherwise specified in a Loan Details Area or in a part of the Mortgage other than these Terms, the provisions following each subheading apply only to the type(s) of Loan(s) specified in the applicable subheading:

(a) Fixed Rate Closed Loans

If the Term is greater than five years, you may prepay the whole (but not a part only) of the Principal Amount of the Loan Amount then outstanding at any time after the end of the fifth year of the Term without notice, and if you so prepay, you agree to also pay us interest accrued to the date of prepayment plus three months' further interest at the Interest Rate on the Principal Amount of the Loan Amount prepaid.

If the Term is equal to five years or less, you may prepay the whole (but not a part only) of the Principal Amount of the Loan Amount then outstanding, and if you so prepay, you agree to also pay us interest accrued to the date of prepayment, plus an amount equal to the greater of:

- (i) three months' interest at your Interest Rate on the Principal Amount prepaid; and
- (ii) the amount, if any, by which the interest which we would have received over the balance of the Term if you had not prepaid on the amount prepaid by you, exceeds the interest which we would receive over the balance of the Term on the amount you prepay at the Current Reinvestment Rate.

(b) Fixed Rate Open Loans

You may prepay at any time and from time to time, in whole or in part (a part prepayment shall be not less than \$100.00) the Principal Amount of the Loan Amount then outstanding, and if you so prepay, you agree to also pay us interest accrued to the date of prepayment, but you are not required to pay us any additional amount on account of interest or a bonus or a penalty.

(c) Variable Rate Closed Loans

If the Term is greater than five years, you may prepay the whole (but not a part only) of the Principal Amount of the Loan Amount then outstanding at any time after the end of the fifth year of the Term without notice, and if you so prepay, you agree to also pay us

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interest accrued to the date of prepayment plus three months' further interest at the Interest Rate on the Principal Amount of the Loan Amount prepaid.

If the Term is equal to five years or less, you may prepay the whole (but not a part only) of the Principal Amount of the Loan Amount then outstanding, and if you so prepay, you agree to also pay us interest accrued to the date of prepayment, plus an amount equal to the greater of:

- (i) three months' interest at your Interest Rate on the Principal Amount prepaid; and
- (ii) the amount, if any, by which the interest which we would have received over the balance of the Term if you had not prepaid on the amount prepaid by you, exceeds the interest which we would receive over the balance of the Term on the amount you prepay at the Current Reinvestment Rate, calculated in the same manner as a Fixed Rate Closed Loan as if the Interest Rate was fixed at the then current Interest Rate.

(d) Variable Rate Open Loans

You may prepay at any time and from time to time, in whole or in part (a part prepayment shall be not less than \$100.00) the Principal Amount of the Loan Amount then outstanding, and if you so prepay, you agree to also pay us interest accrued to the date of prepayment, but you are not required to pay us any additional amount on account of interest or a bonus or a penalty.

(e) All Loans

Whenever you exercise a right you have to prepay in part, the Principal Amount prepaid will be applied by us to satisfy the principal components of what would have been your Regular Payment Amount payments which you would have been obliged to have made if you had not prepaid, in inverse order of their due dates, and any such prepayment by you will not reduce the amount of the Regular Payment Amount payments due following the time of prepayment.

You are only entitled to exercise the prepayment rights set forth above if, at the time you wish to do so, you are not in default in the payment, fulfillment or performance of any of the Obligations.

PART IV - PROVISIONS RELATING TO THE SECURITY

1. CERTAIN PROMISES YOU MAKE TO US

- (a) You promise, warrant and agree with us that:
 - (i) you will pay the Loan Amount as required by the Mortgage and the Loan Agreement, without abatement, set-off, counterclaim, deduction or withholding of any kind, and will comply with all other Obligations;
 - (ii) you will pay property taxes assessed against your Property directly to the appropriate tax office or to us, as applicable and as directed by us;
 - (iii) your Property will be used only for the purposes we have agreed to, unless we agree to a change of purpose in an exercise of our sole discretion, and that at all times you will only allow your Property to be used for purposes permitted by Applicable Law;
 - (iv) unless you are the tenant or lessee of your Property, you have good title to your interest in the Land and are the lawful freehold owner of your Property in fee simple;
 - (v) you have the right to mortgage your interest in the Land and give us the Mortgage;
 - (vi) except as otherwise agreed to by us, your interest in the Land is free from all encumbrances and there are no limitations or restrictions affecting title to your interest in your Property or affecting the use of your Property, except for any restrictions registered in the Registry Office at the time you signed the Loan Agreement acceptable to us and except for building and zoning laws, and you

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agree that you and your Property are in compliance with all such restrictions and all Applicable Law;

- (vii) if we agree that the Mortgage is not a first charge/mortgage on your Property, you agree not to increase the principal amount owing under any other mortgage or to re-borrow any amount repaid under any other mortgage without our approval, which we may withhold for any reason. In all cases, you promise not to default under any other mortgage, and you consent to us giving notice to the holder of any other mortgage of the existence of this Mortgage and all the terms of this Mortgage and the Loan Agreements;
- (viii) to the best of your knowledge and belief, after reasonable enquiry and investigation:
 - (A) no part of your Property or of any adjoining land is or has ever been used to manufacture, refine, handle, treat, store, dispose of or otherwise deal with any Hazardous Substances except in compliance with all Applicable Law; and
 - (B) no part of your Property contains, has ever contained or will in the future contain any Hazardous Substance, which may lower the value of or adversely affect the marketability of your Property.

We may (but are not obligated to) require you, at your expense, to obtain an environmental audit of all or any part of your Property, which environmental audit shall be satisfactory to us, but such audit does not relieve you from your Obligations including those provided in this paragraph. If we determine that your Property or any adjoining land is or has become contaminated with any Hazardous Substances (whether by virtue of the conducting of an environmental audit or otherwise), you will be and be deemed to be in default under the Mortgage and we need not advance or further advance any value (or further value) to or for you.

You agree that we will not be responsible to you or to anyone else by virtue of the existence (now or in the future) of any Hazardous Substance in and about your Property or by virtue of our conducting one or more environmental audits or by virtue of our choosing to ameliorate or to attempt to ameliorate the existence and effect of any such hazardous substance, and you indemnify us for any liabilities, costs (on a solicitor and his own client full indemnity basis) or claims which we may suffer or sustain by virtue of the existence (present or future) of any Hazardous Substance in or about your Property. You agree that this indemnification shall continue in effect after repayment of the Loan Amount and after the discharge of the Mortgage;

- (vi) for as long as the Mortgage is not discharged, you will not permit any Hazardous Substance to be in or about your Property, you will immediately advise us if you learn of the existence of any Hazardous Substance in or about any property adjoining your Property and you will, in the use and occupation of your Property, at all times, comply with all Applicable Law pertaining to the protection of the environment;
- (vii) for as long as the Mortgage is not discharged, if any Hazardous Substance is found in and about your Property, you will immediately carry out all work required to remove the Hazardous Substance from your Property and repair the damage to your Property. All plans and proposals for doing the work and repairs must be prepared in consultation with us and must be approved by us in advance. When the work is complete, you must provide us with confirmation in writing that the work is completed in a firm acceptable to us. You are responsible for all of the costs associated with this work, including providing evidence that the work has been completed;
- (viii) no part of your Property is or will be used for any illegal or illicit purpose, including as a brothel, a gaming house or for the cultivation or processing of marijuana or any illegal or illicit substances;
- (ix) you will, at your expense, insure your Property as provided in these Terms and, should we request you to do so, you will, at your expense, insure you, the Mortgage, the Loan and/or title to your Property with a company or companies

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satisfactory to us which insurance policy shall contain provisions satisfactory to us, in our sole discretion;

- (x) you will, at your expense, execute such further assurances of your interest in your Property as may be required and sign any other document or take any further action which we may, in our opinion, think necessary to ensure that all your interest in your Property has been fully charged to us and that the Loan Amount is adequately secured;
 - (xi) unless previously agreed to by us, you promise that, as of the date of this Mortgage, you are not and will not be a non-resident of Canada as defined in the *Income Tax Act* (Canada). If you become a resident of the United States of America or any country other than Canada for tax purposes and we thereby become subject to a tax payable to the government of the United States of America or any government other than that of Canada on the interest we receive from you through any payment under this Mortgage, or if we are required to withhold or pay or transfer to any person or government any part of any payment made by you to us because you are no longer a resident of Canada for tax purposes, the Interest Rate on this Mortgage will be increased by multiplying by a factor, which we will set from time to time at our sole discretion, to offset our obligations in that regard;
 - (xii) you promise that, except if previously agreed to by us, you are not a "farmer" as defined in the *Farm Debt Mediation Act* (Canada), you promise that you will promptly notify us if you ever become a "farmer" as defined by that Act, and you promise that you will not become a "farmer" as defined by that Act without us first giving our approval for you to do so;
 - (xiii) you will promptly give us notice of any event which constitutes default, together with particulars in reasonable detail specifying the nature thereof and the steps being taken to cure such default;
 - (xiv) you have disclosed to us all matters known to you that, in each case, individually or in the aggregate, could, by their existence or if breached by you, reasonably be expected to negatively impact your Obligations or our interest in your Property;
 - (xv) if you default in any of the Obligations, we will be entitled to have possession of your Property without any interference and free and clear of all encumbrances and other claims and interests excepting only those to which we have approved, provided that we will not be deemed to be in possession of your Property until we or our agent has taken actual physical possession thereof;
 - (xvi) the Loan is for the your sole benefit and is not for the benefit of any other person;
 - (xvii) you will take any action necessary to protect your title to your Property, and will not in any way interfere with our interest in your Property; and
 - (xviii) all promises, warranties and agreements as set out herein, and elsewhere in these Terms and elsewhere in the Mortgage and elsewhere in the Loan Agreement, shall survive each advance and shall continue until the later of (A) five years after you have fully satisfied all of your Obligations; and (B) five years after the date the Mortgage is discharged.
- (b) If you are a tenant or lessee of your Property, you promise, warrant and agree with us that:
- (i) your Property is leased to you under a valid Lease (a copy of which you have given us) and it will at all times while the Mortgage is not discharged, be a valid lease in full force and effect, and that you have a good leasehold title to your Property validly issued to you under Applicable Law;
 - (ii) all rents and other moneys payable under the Lease have been paid and you have complied with all of your other obligations set out in the Lease, in both cases up to the date you sign the Mortgage;
 - (iii) you have the unconditional consent of your landlord or lessor (or if such consent has been issued under conditions, we have agreed to same) to, or, you have the

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right without such consent, to charge your interest in the Lease to us, and any such consent is in writing and has been provided to us;

- (iv) there are no limitations on your interest in the Lease or in your landlord's or lessor's ownership of the property covered by the Lease, except for any set out in the Lease, and except for limitations or restrictions registered against your leasehold title or against the landlord's or lessor's title and except for building and zoning laws, and, you and your landlord or lessor have complied with and will in the future comply with each of the same;
- (v) you will pay rents and other payments required by the Lease as they fall due;
- (vi) you will comply with all your other obligations set out in the Lease;
- (vii) you will not surrender the Lease or cause or permit it to be terminated, and you will notify us in writing immediately upon your learning of any condition or situation which results or may result in a termination of the Lease;
- (viii) you will not make or agree to any change in the Lease without first obtaining our approval;
- (ix) you will promptly give us a copy of any notice, demand or request which you may receive relating to the Lease, and whenever we ask for it, you will promptly provide us with evidence acceptable to us as to the due performance of the obligations of all parties under the Lease;
- (x) you will, at your expense, sign any other document or take any further action as we may think necessary, in our opinion, to ensure that all your interest in your Property and in the Lease have been fully charged to us and that the Loan Amount is adequately secured;
- (xi) you will indemnify us against all actions, claims, costs (including legal costs, and on a solicitor and his own client full indemnity basis), demands and liabilities which we may suffer or sustain by virtue of your default under your Lease, and you agree that this indemnity will continue after any discharge of the Mortgage;
- (xii) you will hold the last day of the term of your Lease or any renewal term in trust for us and will only deal with it in such manner as we require;
- (xiii) at our request, but at your expense, you will transfer to us (or to any person to whom we sell your interest in the property) the last day of the term of the Lease or of any renewal. If we enforce our rights under the Mortgage, then you will hold the last day of the term of the Lease and of any renewal in trust for any person to whom we sell your interest in your Property and for that person's legal and personal representatives and successors;
- (xiv) you appoint us as your attorney so that we, on your behalf and in your name, may assign the Lease and the last day of the term and of any renewal and convey your interest in your Property as we may require to perfect any sale we may make under the default provisions of the Mortgage;
- (xv) we may remove you or any other person as trustee of the trust referred to above and appoint a new trustee or trustees;
- (xiii) you have possession of your Property in accordance with the terms and requirements of the Lease and you promise us that you will, for so long as the Mortgage is not discharged, so hold your Property;
- (xiv) you agree that unless we otherwise agree, neither your giving the Mortgage to us nor any act or omission taken or made by us at any time will make us responsible for the payment and performance of any of the obligations of the tenant or lessee under the Lease or any renewal thereof;
- (xv) if you acquire the landlord's interest in your Property (whether by exercising any option to purchase there may be in the Lease or any renewal thereof or otherwise), the Mortgage will automatically extend to such interest, provided that you agree that we are entitled to require you to provide us with a new

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mortgage against such additionally acquired interest substantially on the same terms and conditions as those set forth in the Mortgage; and

- (xvi) you will, if we request you to do so, obtain a written agreement from the landlord under the Lease in which the landlord agrees with us, in a manner satisfactory to us, as to the actions which we may wish to take where you default under either one or both of the Lease and the Mortgage.

2. DEMOLITION AND ALTERATIONS

- (a) You agree not to demolish any building or structure or part of any building or structure on your Property without first obtaining our approval and not to make any additions, improvements or substantial alterations to any part of your Property without first obtaining our approval of your proposed plans and specifications.
- (b) The above work must be completed as quickly as possible, in accordance with all Applicable Law, governmental requirements and building, plumbing, electrical and other applicable standards that apply to your Property at your expense, and you will provide us with proof of payment and compliance with Applicable Law, governmental requirements and such standards when requested. You must retain all required holdbacks. We may obtain an order vacating any builders', construction or mechanics' lien and, if we think it necessary, provide financial guarantees or other security to obtain such order. All our expenses, including any charges for providing financial guarantees or other security, are immediately payable by you to us and if you do not pay them, we will add them to the Loan Amount, and the same will be secured by the Mortgage.

3. INSURANCE

- (a) We may, if we so choose to do so, require you to take out and maintain a life and/or disability insurance policy for not less than the original Principal Amount of the Mortgage, to be maintained until the Mortgage has been discharged. If we require you to do so, you will pay us on each Regular Payment Date the amount of money estimated by us to be sufficient to permit us to pay the premiums on any insurance policy when they are due, and failure to do so shall constitute default under this Mortgage.
- (b) You must insure and keep insured all buildings, structures, fixtures and improvements on your Property for not less than their full replacement value until the Mortgage has been discharged. The risks against which you must insure include loss or damage by or from fire with extended perils coverage and by and from such additional perils, risks or events as we may at any time require. If a steam boiler, pressure vessel, oil or gas burner, coal blower, stoker or sprinkler system or any other comparable apparatus are operated on your Property then you must also insure and keep insured, until the Mortgage has been discharged, against loss or damage by explosion of, or caused by, any such apparatus and against loss or damage caused by the sprinkler system.
- (c) All insurance policies must be carried with a company or companies satisfactory to us and contain provisions which are acceptable to us and must include mortgage clauses in the form approved by The Insurance Bureau of Canada or by us confirming that loss proceeds are payable firstly to us, and we will have the first right to receive and to have a lien on the loss proceeds, unless we otherwise agree. You must, upon our request, let us have certified copies of every insurance policy and, not less than fifteen days before any policy expires, evidence of its renewal.
- (d) During such time or times as there is construction or renovation of any buildings or structures or any other improvements on your Property, you will maintain builder's all-risk insurance with a stated amount clause for all such improvements for full insurable value.
- (e) We may, but are not required to, place and/or pay for any insurance policy if you fail to do so. If we insure, we need only insure our own interests and not any of yours, and we need only insure to the extent we determine necessary for our purposes. Any premiums or sums of money which we pay for insurance will be immediately payable by you to us or added to the Loan Amount if not so paid and bear interest at your Interest Rate and the same will be secured by the Mortgage.
- (f) If any insurable event, loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance proceeds. Production of the Mortgage will be sufficient authority for the insurance company to pay the same to us.

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If you fail to take the steps required to cause the insurance proceeds to be paid to us, you give us full authority to take those steps and all others required and to do so, to the extent required, in your name and on your behalf. Insurance proceeds may, at our option, in whole or in part be:

- (i) used to repair or rebuild your Property; and/or
- (ii) paid to you; and/or
- (iii) used to reduce any part of the Loan Amount, whether due or not (and if not due, you agree that if we require it, the full unpaid amount of the Loan Amount will become immediately payable in full for this purpose), and including such additional amount to compensate us for loss of interest which we would otherwise have received over the balance of the term of the Mortgage, determined in accordance with those provisions set forth in Part III of these Terms which are applicable to early repayment of the indebtedness secured by the Mortgage; and/or
- (iv) paid on account of any lien, charge, mortgage or encumbrance registered against the title to your Property.

4. PROPERTY TAXES

- (a) In this Mortgage, "**taxes**" mean all taxes, rates and assessments of any nature or kind, including property taxes, school taxes, local improvement rates, and interest and penalties thereon, and any other taxes or similar charges imposed (currently or in the future) against your Property or our interest in the Mortgage or against us with respect to the same (but excluding any income tax imposed upon us).
- (b) Before or on the Interest Adjustment Date, we may withhold from any advance under the Mortgage any amount we feel necessary to pay or to anticipate future payments of taxes.
- (c) You agree to pay all taxes on your Property when they are due and to immediately send to us all notices of taxes which you receive and proof of payment of all taxes once they are paid.
- (d) You will apply for all government grants, assistance and rebates respecting taxes for your Property as may from time to time be available.
- (e) If we require you to do so, you will pay us on each Regular Payment Date the amount of money estimated by us to be sufficient to permit us to pay the taxes when they are due, and any money in addition to the money already paid towards the taxes so that we will be able to pay the taxes in full.

5. REPAIRS, MAINTENANCE AND COMPLIANCE WITH APPLICABLE LAW

- (a) You must keep your Property in a good condition and state of repair and carry out all necessary repairs and must not do, or let anyone else do, anything that lowers the value of your Property.
- (b) You will comply with every present and future Applicable Law affecting the condition, repair, use or occupancy of your Property.
- (c) If, in our opinion, you do not keep your Property in a good condition and state of repair or do, or allow anything to be done, which lowers its value or do not comply with any of your obligations under this paragraph then we can make whatever repairs or changes are, in our opinion, necessary. The costs of repairs and of any inspections are payable by you immediately and if not paid, will be added to the Loan Amount and secured by the Mortgage. You authorize us to enter your Property at all reasonable times to inspect and repair, but we will not become a mortgagee in possession by exercising these rights.
- (d) As long as the Mortgage is not discharged, you will not change or permit any change in the use of your Property nor will you request or support any rezoning of your Property (or any portion of your Property) without first obtaining our written consent, and you will not leave your Property unoccupied without obtaining our prior written consent and, if required under any applicable insurance policy, the consent of the insurer.

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- (e) If your Property, or any part of it, is farm land, then you will, in each year during the Term, either put into crop or summer fallow in good, proper and husbandlike manner every portion of your Property which has been or may hereafter be brought under cultivation, and if applicable, you will manage the farm operation and any livestock operation conducted on your Property in a manner consistent with best practices of farming and in strict compliance with all Applicable Law, you will keep your Property clean and free from all noxious weeds and you will generally see that your Property does not depreciate in any way as a result of your actions, omissions or negligence.

6. NO OBLIGATION TO MAKE ADVANCES TO YOU UNDER THE MORTGAGE

If we decide, for any reason, that we do not wish to advance to you all or any part of the Principal Amount then we do not have to do so. This applies even if the Mortgage has been signed and registered and whether or not any part of the Principal Amount has previously been advanced. Even so, by signing the Mortgage, you have charged all of your interest in your Property to us and you will pay us, on demand, all of our costs, including lawyers' fees (on a solicitor and his own client full indemnity basis) and expenses, for investigating title to your Property and for preparing and registering the Mortgage, and for advancing so much of the Principal Amount as we have actually advanced. We may deduct from any advance of the Principal Amount: (a) any taxes or other governmental obligations that are due; (b) any interest that is due and payable to the date of the advance, and to the Interest Adjustment Date; (c) all of our fees and costs, including legal fees on a solicitor and his own client full indemnity basis, whether provided in this paragraph or elsewhere; (d) any insurance premium; (e) any appraisal or inspection fee; and (f) any other money owing to us by you. For clarity, in the event that we advance all or any part of the Principal Amount to our lawyer in preparation for it to be advanced to you and, after such advance, the advance is terminated in an exercise of our sole discretion or the date of the advance to you is postponed for any reason not solely our fault, interest will accrue at your Interest Rate on the Principal Amount advanced to our lawyer in the same manner as if it had been advanced to you, commencing on the later of: (1) the date all or any part of the Principal Amount is advanced to our lawyer; and (2) the intended closing date, and ending on the date the Principal Amount so advanced is repaid to us in full whether by our lawyer, in an exercise of our lawyer's sole discretion, or by you, and any such amount shall be added to our costs for the purposes of this paragraph.

7. LEASES AND RENTS

- (a) You promise and agree to occupy your Property in accordance with Applicable Law and that no part of your Property is rented or occupied by a tenant and you also agree not to rent, lease or enter into a tenancy agreement of all or any part of your Property or to renew any lease which was entered into prior to your providing us with the Mortgage or any lease to which we have previously approved (other than a renewal provided for in any lease that we have approved), without your first obtaining our approval, which we may refuse to provide in our sole discretion. If your Property is a residential property, you promise and agree that your Property will be owner-occupied unless we approve otherwise, which we may refuse to provide in our sole discretion.
- (b) If your Property is a rental property and whether or not we have consented to such rental, you hereby assign as security to us all leases, lease agreements and their renewals, whether presently existing or arising in the future; and all rents payable under such leases and agreements; and all rights thereunder as they affect your Property, together with all guarantees of the tenants' obligations thereunder and all security provided to secure any such guarantee, such security assignment to be a first charge on its subject matters, subject to no prior or equally ranking assignments or charges. You must obtain our prior written approval for any leases of your Property or for the renewal of any lease (other than a renewal provided for in any lease which we have previously approved).
- (c) If you lease all or any part of your Property to any person or persons, you will execute and deliver to us:
- (i) a security assignment in registerable form acceptable to us of all leases, lease agreements and their renewals, rents payable under such leases and agreements, all guarantees of the tenants' obligations thereunder and all security provided to secure such guarantees and all rights under such leases as they affect your Property. Such assignment shall be in such form and content as we require and may, at our option, include a provision for estoppel certificates from the tenant or tenants and may also, at our option, include a provision for additional particular assignments of individual leases. Such security assignment

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shall always be a first charge on its subject matters, subject to no prior or equally ranking assignments and charges, unless otherwise agreed to by us; and

- (ii) a security assignment in registerable form acceptable to us against your chattels, fixtures and equipment utilized in connection with the occupation, management and utilization of the leased premises (excluding goods which are "consumer goods" within the meaning of the *Personal Property Security Act* (Ontario) and any other Applicable Law), such security to always be a first charge on its subject matters, subject to no prior or equally ranking assignments and charges, unless otherwise agreed to by us.

You must pay all of our expenses, including legal fees (on a solicitor and his own client full indemnity basis) and registration costs relating to such additional security, and the amounts we incur therefor, if not paid by you on demand, will, with interest at your Interest Rate, be added to the Loan Amount and secured by such security as well as by the Mortgage.

- (d) If you do not comply with any of your Obligations or you breach any of your promises under this paragraph then, at our option, the Loan Amount will immediately become due and payable. In this case we may pay to any tenant such amount as is required to obtain the co-operation of the tenant in showing and selling your Property and obtaining possession from the tenant. You agree that the payment of such an amount will be a cost of realization of our security and will be added to the Loan Amount and will be secured by the Mortgage and the above-described additional security. You appoint us as your attorney and agent to enforce the terms of any lease or agreement entered into by you and to cancel or terminate any lease or agreement.
- (e) Nothing we do under this paragraph 7 of Part IV of these Terms will result in us assuming any of the obligations of a mortgagee in possession of your Property or any part thereof, and we are not and will not be obliged to collect any rent or income from your Property or any part thereof, nor to comply with any of the obligations of the landlord under any lease or agreement to lease.
- (f) If you are not complying with any of your Obligations or adversely affecting the value of our interest in your Property, any rental by you of all or any part of your Property without our written approval shall be considered to have been done to discourage us from taking possession of your Property or the rented portion thereof.

8. CONSTRUCTION MORTGAGES

- (a) If the Loan or any part thereof is used to finance an improvement (which term shall include any construction or installation on your Property and any alteration, addition or repair of any building or structure on your Property), you agree to make the improvement only in accordance with plans and specifications which we have approved and to complete the improvement as quickly as possible and in accordance with all Applicable Law. The Loan is not to be used to finance any improvement without our express approval.
- (b) Notwithstanding paragraph 2(b)(ii) of Part III of these Terms, interest at the Interest Rate applicable to your Loan will commence to be charged on each advance of the Loan, commencing from the date of each such advance, and such interest shall be determined daily and shall be payable monthly in arrears on the first day of each month from and after the date of the making of the first advance and all such interest shall be fully paid on or before the Interest Adjustment Date for the Loan. Such interest, at our option, may be deducted from any advance or advances we make, or be paid by you to us monthly in arrears on the first day of each month following the first advance, up to and including the Interest Adjustment Date. If any such interest is not paid when due, then interest shall be charged thereon at the Interest Rate until all such interest is fully paid. If the rate of interest applicable to advances of the Loan (i.e., during construction) is different from the rate of interest which commences to be applicable to the Loan from and after the Interest Adjustment Date, as specified in the Loan Agreement or otherwise agreed between you and us, then the same will be specified in the Mortgage, together with any necessary alterations to the requirements for payment of interest prior to the Interest Adjustment Date set forth in this paragraph.
- (c) Subject to our right not to make any advances, we may make advances to you under the Mortgage based on progress in completing the improvement or upon its completion or, in the case of a building, its occupation or sale, all of the foregoing to be at such times and in such amounts as we deem appropriate. We reserve the right to charge a

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fee for each advance made, in addition to our other costs and expenses. We also reserve the right to inspect your Property and construction thereon at any time, acting reasonably, and you agree to give us access to your Property for this purpose.

- (d) If you should fail to complete any improvement we may, in our sole discretion, have the improvement completed in such manner as we determine appropriate, and upon demand you will provide us with all of the plans and specifications for the improvement and you will cause any contractors, architects or engineers you have engaged with respect to the improvement to cooperate with us in order to effect completion of the improvement. In paying for completion of such improvement, we may make advances of the unadvanced portion of any Loan secured by the Mortgage, and if such unadvanced monies are insufficient to complete the improvement, we may pay out further monies as we determine appropriate, and all such further monies and such advances of the unadvanced portion of the Loan will be deemed to be advances under the Mortgage and will accrue interest at your Interest Rate and will be secured by the Mortgage, notwithstanding that the total amount so advanced under the Mortgage exceeds the maximum principal or face amount thereof.
- (e) Should we think it reasonable to do so, we can erect one or more signs of reasonable prominence on your Property, indicating that we have provided the Mortgage and/or the Loan.
- (f) In making any improvement, you will comply with all of your obligations under all Applicable Law, including but not limited to all applicable builders', construction or mechanics' lien legislation, including obligations to make holdbacks.
- (g) You authorize us to give any information about the Mortgage and the Loan to anyone who claims a builders', construction or mechanics' lien against your Property.
- (h) Whether or not the Loan is to be used in whole or in part to finance an improvement, we may hold back or retain any or all of the funds from any advance or advances until we are completely satisfied that no builders', construction or mechanics' lien or liens have been registered against the title to your Property.
- (i) We may obtain an order removing any builders', construction or mechanics' lien, and may provide financial guarantees or other security to obtain such an order, all at our sole option and without any obligation to do so. You must immediately pay all of our expenses for obtaining any order, including any charges for providing financial guarantees or other security.
- (j) You agree that we are a lender only and are not involved in any way with construction, and you agree to indemnify and hold us harmless from and against any claims which may be made against us arising from or in any way connected with construction on your Property. Any action taken by us pursuant to this paragraph shall not be taken by you or anyone else to mean that we have become a mortgagee in possession, management or control of your Property.

9. **RELEASING THE MORTGAGE AND POSTPONEMENT OF THE MORTGAGE**

At our option, we may release our interest under the Mortgage in all or part of your Property and we may postpone our interest under the Mortgage to any one or more other persons with interests in your Property (existing or future), whether or not we receive any value with respect to any such release or postponement, and we will be accountable to you only for any money or value which we actually receive in connection with any such release or postponement (the amount of same to be in our sole discretion). If we release our interest under the Mortgage in only a part of your Property, all of the remainder of your Property will continue to secure the full Loan Amount and all of your other Obligations under the Mortgage. No such release or postponement will release any Guarantor of your Obligations under the Mortgage and all such guarantee obligations will continue unchanged. To the maximum extent permitted by Applicable Law, you will be responsible for any costs we incur with respect to any such release or any such postponement, including legal fees (on a solicitor and his own client full indemnity basis) and costs of registration of same.

10. **SUBDIVISION OF YOUR PROPERTY**

If your Property or any part of it is subdivided, each part of your Property (including any part which is not subdivided) will secure payment and performance of all of your Obligations under the Mortgage. Nothing in this paragraph shall be taken by you or anyone else to mean that we

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are promising to agree to any subdivision of your Property or any part of it, and no part of your Property shall be subdivided without our approval.

11. RENEWING OR AMENDING THE MORTGAGE

At our option, the Mortgage may from time to time be renewed, extended or amended by written agreement(s) with you, with or without any increase in your Interest Rate. It will not be necessary for us to register the written agreement on title to your Property in order to retain priority for the Mortgage, as renewed or amended, over any other instrument registered after the Mortgage whether or not there are any other instruments registered on title to your Property after the Mortgage at the time any written agreement is entered into. The entering into of any written agreement by us with you or with any other person liable to pay the Loan Amount will not release or affect the liability of anyone who does not sign or consent to such written agreement, including any Guarantors. Notwithstanding the foregoing, we may require that at your cost, such written agreement be registered against your Property and to require anyone else with an interest in your Property to consent to the written agreement and to the priority of the Mortgage. You agree that no amendment or renewal of the Mortgage shall result merely from our having accepted any payment or payments on account of the Loan Amount after the maturity date of the Mortgage. Further, as long as we agree, in our sole discretion, you may transfer your existing Mortgage to a new property or you may combine your existing Loan Amount with additional funds and, depending on the remaining Term of the existing Mortgage, obtain an extended Term. The Interest Rate on the replacement Mortgage will be a blend of the Interest Rate you were paying on the funds transferred from your existing Mortgage and the rate applicable to the term of the replacement Mortgage and/or additional amount, as determined by us. You agree that any amendment does not have to be registered in the Registry Office, and that any amendment will be binding on you, on any Guarantor, on any transferee of your Property and on any person who has an interest in your Property. Any amendment will have priority over any subsequent charge, mortgage, interest in or transfer of your Property to the same extent as if the amendment had been registered in the appropriate Registry Office before registration of any subsequent charge, mortgage, interest or transfer. Nothing in this paragraph shall be taken by you or anyone else that we are promising to agree to any extension, renewal or amendment.

12. CERTAIN ACTIONS WE CAN TAKE

- (a) We can, if we think it is necessary, pay off any encumbrance, mortgage, claim or lien which has priority over or ranks equally with the Mortgage and such payments may be made by us out of any advances of the Loan or by way of additional payments made by us. In any event, you promise us that as long as the Mortgage is not discharged, you will ensure that there are no encumbrances, mortgages, claims or liens which hold priority over or rank equally with the Mortgage unless agreed to by us in our sole discretion. Also, you will pay to us all expenses which we incur in collecting any money obligation you owe us under the Mortgage and in enforcing any other obligation you have under the Mortgage. To the maximum extent permitted by Applicable Law, you must immediately reimburse us for all such payments and expenses upon our request for same, and until you have paid them to us, they will be subject to interest at your Interest Rate and will be secured by the Mortgage.
- (b) If you do not comply with any of your Obligations under the Mortgage, we can, but are not obliged to, perform or cause those Obligations to be performed, in whole or in part as we determine appropriate, all at your sole cost and expense.
- (c) If you are a tenant or lessee under a Lease of your Property:
 - (i) we can cure any defaults existing under your Lease at our discretion and you will immediately reimburse us for all payments and expenses which we incur in so doing; and
 - (ii) if you neglect or refuse to renew your Lease when it gives you that right, we can do so and every renewal shall be subject to the Mortgage. You must immediately reimburse us for all payments which we have to make and costs which we incur in taking any of these steps.
- (d) Any payments we make under the Mortgage whether under this paragraph or otherwise will be added to the Loan Amount, and such payments will be charged interest at your Interest Rate and will be secured by the Mortgage.
- (e) Any interest which accrues as a result of changes requested by you to your Payment Frequency or changes requested by you to the Regular Payment Date will be paid by

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you and if not so paid upon demand, will be added to the Loan Amount and charged interest at your Interest Rate and will be secured by the Mortgage.

- (f) Both before and after default under the Mortgage, you agree that we have the right to have any employee or agent enter upon your Property, including all buildings, for the purpose of inspecting same and you will cooperate with us in making any such inspections. Entry to your Property or any part of it by any employee or agent will not be taken by you or anyone else to mean that we have become a mortgagee in possession, management or control.
- (g) If we obtain a judgment with respect to any of the Obligations, those Obligations will not merge in such judgment and will continue to be enforceable by us until fully paid and performed.
- (h) If we permit or acquiesce in any non-performance of any of the Obligations or we grant an extension of time for any such performance, this shall not be taken by you or anyone else to be a waiver or forgiveness except with respect to the particular non-performance or particular agreement to extend time for which we have agreed.
- (i) Our rights, powers and remedies stated in the Mortgage shall be in addition to and shall not be taken by you or anyone else to exclude our entitlement to utilize any other rights, powers and remedies available to us by all applicable law (including Applicable Law) or as may be otherwise granted to us. We may exercise any of such rights, powers and remedies from time to time together or separately as we determine appropriate. If we exercise any of those rights, powers and remedies, that will not exclude us from exercising the same rights, powers and remedies on any subsequent occasion, or from exercising any other right, power or remedy available to us.
- (j) We may set-off against any debt we at any time owe to you, any overdue indebtedness secured by this Mortgage.
- (k) You agree that the Mortgage supplements and does not replace any other security we hold for any debt or other liability of you, that we may pursue our remedies, either at the same time, or one remedy at a time, as we choose, and that the fact that we do obtain a judgment or other remedy under a particular security for the Loan secured by this Mortgage will not affect our rights to enforce any other security or remedy.

13. DEFAULT

You will be in default under the Mortgage if any one or more of the following occur:

- (a) you do not make any payment required by the Mortgage or the Loan Agreement;
- (b) you do not perform, fulfill or comply with any of the others of the Obligations, including but not limited to any Obligations contained in these Terms;
- (c) we discover that you are in breach of any term of the Mortgage or the Loan Agreement, including any term of these Terms, or that any statement, promise, representation, warranty or agreement you have given to us in the Mortgage or the Loan Agreement or in these Terms is or has become untrue;
- (d) we discover that you or any Guarantor has acted in a manner that calls into question your integrity and as a result will, in our sole opinion, negatively impact our reputation if we were to continue to do business with you or any Guarantor;
- (e) any builders' or construction or mechanics' lien, conditional sale agreement, notice of security interest or other charge or lien is registered against the title to your Property or any part of it;
- (f) any buildings or structures being erected on, or additions, alterations or improvements done to your Property remain unfinished without work being done on them for a period of ten consecutive days;
- (g) your Property or any part of it is abandoned;
- (h) we discover that you or any Guarantor has acted in a manner that calls into question your integrity and as a result will, in our sole opinion, negatively impact our reputation if we were to continue to do business with you or any Guarantor;

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- (i) there is an event or occurrence, other than the foregoing, which is stated in the Mortgage, these Terms or in any other agreement between us pertaining to any of the Loan secured or intended to be secured by the Mortgage (including, without limitation, any Loan Agreement) as being an event or occurrence of default;
- (j) if default occurs under any other security which you now or in the future provide to us, whether to secure some or all of the Obligations or otherwise;
- (k) if there is more than one mortgagor or chargor, if any one of you are in default under the Mortgage or the Loan Agreement;
- (l) if any Guarantor is in default under the Mortgage or the Loan Agreement;
- (m) if default occurs under any other mortgage or any lien, charge or encumbrance affecting your Property or any part of it, including any of same which holds priority over the Mortgage and whether or not we have agreed to such priority;
- (n) if you or any Guarantor commence proceedings or any proceedings are commenced against you or any Guarantor under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial Application Law which provides for relief to debtors;
- (o) if you are an individual natural person, upon your death or upon your being legally declared incompetent to manage your affairs;
- (p) if you are a corporate body, if your corporate existence ceases, if at any time you no longer remain in good standing under the Applicable Law of the jurisdiction of your incorporation, or if you no longer have the power or authorization to enter into the Mortgage;
- (q) if you are a corporate body, if the control of the corporation changes without our approval. The control of the corporation is deemed to change whether such change occurs as a result of either a *de jure* or *de facto* change or acquisition of control, and whether as defined in the *Income Tax Act* (Canada) or otherwise;
- (r) if you are a corporate body, if you make any loan, loan repayment or issue any dividends to any shareholder, officer or director without our approval, or take any action without our approval similar to any of the above;
- (s) if we should lose the benefit of any other security (present or future) which secures some or all of the Obligations, including where we lose the benefit of the guarantee obligations of any Guarantor or any other guarantee, indemnity or similar obligation provided by anyone other than someone who signs the Mortgage as a Guarantor, except for where we provide a written release with respect to such other security or guarantee; and
- (t) if, acting reasonably, we determine that your ability or willingness to pay and fulfill some or all of the Obligations secured by the Mortgage is or may be impaired or that the security constituted by the Mortgage is or may be impaired.

14. CONSEQUENCES OF DEFAULT

You agree that if you are in default under the Mortgage, then:

- (a) at our option, some or all of the full amount of the Loan Amount will immediately become fully due and payable, but such acceleration of payment of the Loan Amount (or any part thereof) will not occur unless and until we have confirmed same in writing to you;
- (b) at our option, we may require you to pay to us an additional charge or bonus equal to three months interest in advance at the Interest Rate on the outstanding Loan Amount;
- (c) we will have no further obligation to advance any monies or further monies to you;
- (d) in addition to the rights provided herein, we will have the rights and remedies of a secured party under the *Personal Property Security Act* (Ontario), as well as the rights and remedies recognized at law and in equity;
- (e) we will have the right to forgive the default, but:

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- (i) such forgiveness may be upon such terms as we determine to be appropriate;
 - (ii) in so forgiving, we are not to be taken by you or anyone else to undertake to forgive any further or other default then existing or which may occur in the future; and
 - (iii) no such forgiveness will be binding on us unless the same is confirmed to you in writing by us; and
- (f) we shall be entitled to exercise any or all of the rights and remedies which we may have upon the occurrence of default.

15. OUR REMEDIES ARISING ON DEFAULT

(a) **Remedies** - If you are in default in the payment, fulfillment or performance of any of the Obligations, or you are otherwise in default under the Mortgage or the Loan Agreement, we shall have the following remedies which we can exercise from time to time, in whatever order we determine appropriate, and exercising one remedy shall not prevent us from exercising additional remedies or that remedy again:

- (i) **Sue you** - Subject to Applicable Law, we may take such action as is necessary to collect the Loan Amount or any portion thereof. To the maximum extent not prohibited by Applicable Law, you waive all rights to exceptions from distress and seizure under any Applicable Law, statutory or otherwise, in force for the time being and from time to time;
- (ii) **Foreclosure or Sale** - We may take proceedings in court or otherwise as may be permitted by Applicable Law to:
 - (A) sell your right, title and equity of redemption in your Property, or any part or parts of your Property; and/or
 - (B) foreclose your right, title and equity of redemption in your Property, or any part or parts of your Property.

In the case of any such sale, it may (subject to Applicable Law) be for cash or credit or partly for cash and partly on credit, by private sale or public auction, and on such terms as can be obtained. This includes a power of sale to which a mortgagee is entitled under Part III of the *Mortgages Act* (Ontario), which may be exercised, if default continues unremedied by you for fifteen days, on at least thirty-five days' written notice to you;

- (iii) **Lease your Property** - If default continues unremedied by you for fifteen days (or such longer period of time as mandated by Applicable Law), we can, subject to Applicable Law, on fifteen days' (or on notice for such longer period as mandated by Applicable Law) to you, enter on and lease your Property or any part or parts thereof; if default continues for thirty days (or such longer period of time as mandated by Applicable Law) we may, without notice to you, enter on and lease your Property or any part or parts of it. We may apply the net proceeds of any lease to reduce any part of the Loan Amount. If the net proceeds do not pay the Loan Amount in full, you must pay us the difference;
- (iv) **Enter on your Property** - We can enter on and take possession of your Property at any time, without your permission, and make any necessary arrangements to inspect, collect rent, lease, manage, repair or complete construction. Any costs we incur, together with interest at your Interest Rate, will be added to the Loan Amount and secured by the Mortgage. Only if we intend to take possession of your Property will we become a mortgagee in possession, and entry alone does not make us a mortgagee in possession. If we enter on and take possession of your Property we do so free from all manner of former conveyances, mortgages, charges or encumbrances without let, suit, hindrance, interruption or denial by you or any other person whatsoever, and we may institute such proceedings as we may deem necessary and desirable in our own name or in yours, or otherwise as we may deem appropriate in our discretion, and all costs, charges and expenses, including allowances for the time and service of any of our employees or other persons appointed by us for the above purposes, together with a management fee, will immediately be payable by you and will be a charge upon your Property and will bear interest at your Interest Rate until paid in full;

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- (v) **Appoint a Receiver** - We can appoint, in writing, a receiver (which includes a receiver and manager) to collect any income from and to manage your Property. The receiver will be your agent, not ours, and you alone will be responsible for any of the receiver's acts or omissions. We are not accountable for any moneys received by the receiver except to the extent that we actually receive any such moneys. The receiver may use every available remedy which we have under the Mortgage and under Applicable Law to sell your Property or any part or parts thereof, to collect the income from your Property, to take possession of the whole or part of your Property or any part or parts thereof, to manage your Property and to keep it in good condition.
- From the income collected, the receiver will pay all rents, taxes, rates, insurance premiums and other expenses required to keep your Property in good condition; pay his own commission as receiver; pay all amounts required to keep any encumbrances ranking in priority to the Mortgage in good standing; pay interest owing under the Mortgage; and pay all or any part of the Loan Amount whether it is due or not;
- (vi) **Distress** - Provided that and it is further stipulated, provided and agreed by and between you and us that we may distrain for arrears of interest against your Property or any part thereof and recover by way of rent reserved as in the case of a demise the arrears of interest and all costs and expenses incurred in such levy or distress and may also distrain for arrears of principal and payments of taxes, if required, in the same manner as if the same were arrears of interest; and
- (vii) **Other Remedies** - We can take any other action and exercise any other remedies which are described elsewhere in the Mortgage or which are available to us under Applicable Law as being available to us in the event of any default, including our taking action or paying monies to cure the default, and where we do so by paying out the holder of any other mortgage, claim or interest affecting your Property (or any part of it), we will be subrogated to the rights and position of the person or persons so paid out;
- (b) **Non-Interference** - If, in enforcing our remedies, we take possession of your Property, you will not interfere with our possession, with that of any receiver we may appoint or with that of any person we may appoint or with that of any person to whom your Property may be leased or sold, and you will not make any claim against any person to whom your Property may be leased or sold;
- (c) **Notice** - To the maximum extent permitted by Applicable Law, we may exercise all of the remedies available to us, or any of them, without any notice to you, to any Guarantor or to any other person;
- (d) **Our Expenses** - To the maximum extent permitted by Applicable Law, all of the expenses which we incur in enforcing any of our remedies are payable by you immediately when we require them, and, if not so paid, the same shall be added to the Loan Amount, shall be subject to interest at your Interest Rate and shall be secured by the Mortgage. These expenses include our legal fees on a solicitor and his own client full indemnity basis, all other costs we have to pay to protect our interests and to enforce any of our remedies under the Mortgage and a reasonable allowance for the time and services of our employees and those of the company;
- (e) **Delay in Enforcement** - Our rights will not be affected if we delay in enforcing any of our rights under the Mortgage or give you or anybody else an extension of time. We may still insist on you making all payments on time and complying with your Obligations, require payment of the Loan Amount if you are in default and require any other person, including a Guarantor, who has obligations to us under the Mortgage to meet those Obligations. If you do not make any payment of the Principal Amount as required by the Mortgage, we are not obliged to accept subsequent payment unless you also pay us interest to the date of subsequent payment;
- (f) **Judgments** - If we obtain any court order or judgment against you in any action to enforce our remedies, the judgment will not prevent us from pursuing our other remedies or rights to enforce your other Obligations under the Mortgage or the Loan Agreement, including our right to receive interest as required by the Mortgage; and
- (g) **You are responsible for any deficiency** - To the maximum extent permitted by Applicable Law, you will remain responsible for payment to us of all of the Loan Amount, notwithstanding that we have exercised one or more of our remedies,

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including, without limitation, the sale of your Property. For clarity, whether or not we exercise the remedies available to us, or any of them, we will continue to charge interest at the Interest Rate on all overdue amounts (including on overdue interest), payable and, if not paid, compounded at the same frequencies as are specified in the Mortgage for interest which is payable on the Loan Amount prior to default, such interest at the Interest Rate to be payable both before and after the Balance Due Date, default, acceleration and judgment.

16. CONDOMINIUMS

This paragraph applies only if your Property, or any part thereof, is a condominium unit or a parcel of tied land(s) under the Condominium Act (the corporation created by the subsection of the land of which your Property forms part under the Condominium Act is called the "**Condominium Corporation**", the primary document which governs the operation of the condominium project other than the Act, the Condominium Corporation by-laws and rules and regulations is called the "**Declaration**", and the rules and regulations of the Condominium Corporation are called the "**Rules**"). If your Property is a condominium unit or a parcel of tied land(s), such that this paragraph applies, then, in the case of a discrepancy between any of the provisions of this paragraph and any other provision in the Terms, the provisions of this paragraph will apply to the extent of the discrepancy and the other provisions will not.

- (a) **Compliance with the Act, etc.** - You will comply with the Condominium Act, the Declaration and the by-laws and Rules of the Condominium Corporation as they exist from time to time.
- (b) **Payment of Amounts and Common Expenses** - You will pay all amounts required by the Condominium Act, the Declaration and by the by-laws and Rules of the Condominium Corporation on or before they are due and, if we request, give us proof that you have done so. You must pay common expenses and all other charges levied by the Condominium Corporation against you or with respect to your Property. If you do not make payments which you are obligated to pay, we may do so on your behalf and you will be in default under the Mortgage, and if we so pay, that amount will be charged interest at your Interest Rate, be added to the Loan Amount and will be secured by the Mortgage.
- (c) **Notices, Demands and Documents** - You will mail to us by prepaid registered mail, or deliver to us, copies of every notice, assessment claim or demand for payment, request or demand of us to consent to any matter, and every other communication relating to your Property or the common elements of the condominium so that we receive them at least seven days before any claim or demand is payable or, in the case of other communications, within three days of the date you receive them. You will, upon our request and at your sole expense, provide to us true copies of all documents pertaining to the Condominium Corporation, including but not limited to the Declaration, the by-laws and the Rules of the Condominium Corporation.
- (d) **Voting Rights**
 - (i) You authorize us, in your name and on your behalf, and whether or not you are in default, to exercise your rights under the Condominium Act, the Declaration and the by-laws and Rules of the Condominium Corporation to vote at any meeting of the Condominium Corporation, and to consent to any matter, to the maximum extent permitted by Applicable Law, and we may inform the Condominium Corporation of our rights as described herein.
 - (ii) We may wish not to use our rights to vote or consent and if we do not wish to do so, we may notify the Condominium Corporation, in which case you can vote or consent yourself. Our wish not to vote or consent can be for a limited time or for a particular meeting or matter. When we do vote or consent for you, we do not then become a mortgagee in possession and are not responsible to protect your interests nor for the way we vote or consent or fail to do so.
 - (iii) So as not to prejudice our rights under the Condominium Act, the Mortgage or these Terms, immediately upon registration of the Mortgage, and immediately after we notify you of any change to our address for service, you will do all things necessary to cause the Condominium Corporation to record notice of this Mortgage and our name and address in their records and you will get the Condominium Corporation to acknowledge such recording in writing.

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- (e) **Acceleration of Repayment of Loan Amount** - At our option, the Loan Amount will become payable immediately if:
- (i) the governing of your Property under the Condominium Act is terminated;
 - (ii) a vote of the unit owners authorizes the sale of any part of the condominium's common elements;
 - (iii) the Condominium Corporation fails to comply with the Condominium Act, the Declaration, the by-laws or Rules;
 - (iv) the Condominium Corporation is terminated or amalgamated under the Condominium Act;
 - (v) the Declaration, the by-laws or Rules of the Condominium Corporation are amended such that we are of the opinion, in our discretion, that our rights and interests under the Mortgage are prejudiced or diminished;
 - (vi) the Condominium Corporation fails, in our opinion, to manage the condominium and assets in a careful way or to maintain its assets in good repair; or
 - (vii) the Condominium Corporation fails to insure all the condominium units and common property or common elements according to Applicable Law and any additional requirements we may have or fails to do all that is necessary to collect insurance proceeds.

- (f) **Insurance** - Under the Condominium Act, the Condominium Corporation must obtain appropriate insurance. In addition, you must insure all improvements which at any time have been made to your Property against loss and damage by fire and, as well, against such additional risks as we may require. The insurance company or companies must be approved by us. You and the Condominium Corporation or both shall, to the maximum extent not prohibited by Applicable Law, assign and transfer the policy or policies of insurance and receipts thereof to us and if you or the Condominium Corporation or both fail to keep the buildings and improvements insured or provide us at least fifteen days before the termination of any insurance, evidence of renewal, we are entitled but not obligated to insure the buildings or improvements. You must, if we ask for them, give us certified copies of every insurance policy. If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance proceeds. These proceeds, as may be permitted by law, may, at our discretion, in whole or in part be applied to repair the damage, be paid to you or be applied to reduce any part of the Loan Amount whether or not yet due.

The obligation to insure may be performed by the Condominium Corporation and the proceeds of insurance may be payable in accordance with the Act, the Declaration and the by-laws of the Condominium Corporation. You promise that, in the event of loss or damage, you will fully comply with the terms of all insurance policies and with the insurance provisions of the Condominium Act, the Declaration and the by-laws and that, as a member of the Condominium Corporation, you will insist that the Condominium Corporation fully complies with these terms.

You will do all things necessary to cause the Condominium Corporation, and the insurance trustee, if any, to record notice of this Mortgage and our name and address in their records and you will get the Condominium Corporation, and the insurance trustee, if any, to acknowledge such recording in writing.

17. DUE ON SALE AND RELEASE

- (a) If you transfer title to or your ownership of your Property or any part of it, or agree to do so, to someone without first obtaining our approval, then the full amount of the Loan Amount will, at our option, immediately become due and payable. If we accept any payment or payments in respect of the Loan from any person whom we have not first approved, this will not mean that we have granted our prior approval, or that we have given up our right to require you (or the person or persons to whom you have transferred) to pay the Loan Amount in full.
- (b) You agree to give us sufficient information to enable us to decide whether we should give our approval and upon receiving sufficient information, we will make our decision as soon as possible. We may withhold our approval if we believe it best to do so.

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- (c) We release you from your Obligations under the Mortgage and to pay the Loan Amount, and, if applicable, we release any Guarantors from their guarantee if:
- (i) we give our approval to you to transfer your Property;
 - (ii) the transfer is to a person or persons other than you so that you will not retain any ownership interest in your Property after the transfer takes place; and
 - (iii) you provide us with a copy of the registered Transfer/Deed of Land (with evidence of registration of same under Applicable Law), together with a Registry Office-certified true copy of the new title, or as the case may be, registered Deed in favour of/in the name of the approved person or persons, together with such other documents and matters as may have been or may be required by us as a condition of approval of your transfer, including any new guarantee or guarantees we have requested.
- (d) If you are a corporate body then, for the purpose of this paragraph 17 of Part IV of these Terms, you will be considered to have transferred title to your Property if there is any change in the ownership of the issued capital stock of the corporation or your entering into an agreement to do so, without first obtaining our approval.
- (e) If there is a transfer without our approval, and if we choose to require repayment in full of the Loan Amount, we shall also be entitled to treat such non-approved transfer as not being a default under the Mortgage, and require you (or the transferee) to pay to us both the full amount of the Loan Amount and an amount to compensate us for our loss of interest which we will suffer for the early repayment of the Loan in accordance with those provisions of the Mortgage pertaining to early prepayment of the Loan which are applicable to your Mortgage.
- (f) You acknowledge and agree that, except as explicitly provided in these Terms or elsewhere in the Mortgage, no sale or other dealing by you with your Property or any part thereof shall in any way change your liability or in any way alter our rights as against you or any other person liable for payment of the monies secured by the Mortgage.

18. ASSUMPTION

If you are not the original borrower, chargor or mortgagor who provided the Mortgage to us, you agree to be bound by all of the Obligations of the original borrower, chargor and mortgagor under the Mortgage (including the above paragraph 17 of Part IV of these Terms) and you will, if we require it, sign and provide us with an agreement confirming same.

19. INSPECTION

If we or our agents have reason to believe that your Property or any part of it is not in conformity with any of your Obligations or with any Applicable Law (including, without limitation, ones pertaining to protection and enhancement of the environment), you agree that we or our agents may, at any time, before or after default, enter and inspect your Property or any part of it and conduct testing, site assessment, investigation or study which we consider necessary. The cost of this testing, assessment, investigation or study, with interest at your Interest Rate, will be immediately payable by you and shall be added to the Loan Amount and secured by the Mortgage. We and our agents will not become mortgagees in possession nor will we be taken by you or anyone else to have acquired management or control of your Property, by virtue of our exercising these rights.

20. EXPROPRIATION

- (a) If all of your Property is expropriated, the full amount of the Loan Amount will immediately become due and payable, together with an amount to compensate us for loss of interest over the balance of the Term calculated in accordance with those provisions of the Mortgage dealing with early repayment applicable to your Loan. You will ensure that the full amount of the expropriation proceeds are paid to us to be applied on account of your indebtedness secured by the Mortgage.
- (b) If only a part of your Property is expropriated, the amount you are awarded for the partial expropriation will be paid to us and we will credit it to the Loan Amount. If, in our opinion, the remainder of your Property does not constitute adequate security for the Loan Amount, then the full amount of the Loan Amount, or such part of the Loan Amount as we determine, will immediately become fully due and payable, together with

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an amount to compensate us for loss of interest over the balance of the term calculated in accordance with those provisions of the Mortgage dealing with early repayment applicable to your Loan. If the Mortgage remains registered against part of your Property, then it will stand as security for all of your unpaid Obligations, including your obligation to ensure payment of the expropriation proceeds to us.

- (c) If you receive any expropriation proceeds, you will hold them in trust for us and account to us for same as soon as possible.

21. GUARANTEE

- (a) In return for us having made the Loan to you (which in the Mortgage includes your successors and assigns), each person who signs the Mortgage as a Guarantor agrees with us, as principal debtor and not as surety, to pay to us the Loan Amount and interest thereon as and when required by the Mortgage and to observe and perform all of the others of the Obligations. Each Guarantor will be jointly and severally liable with you and, if there is more than one, with each other, for complying with all of the Obligations.
- (b) We may at any time and from time to time without the consent of or notice to the Guarantors give any extension of time for payment (including renewals), deal with any additional security, give releases or discharges of the Mortgage or any additional security we hold (including any guarantee, indemnification or covenant), vary, increase or decrease the Interest Rate, the Principal Amount or the Regular Payment Amount, amend the terms of the Mortgage and generally deal with all matters affecting the Mortgage and any or all of the Obligations without in any way affecting the obligations of any Guarantor. For clarity, each Guarantor acknowledges and agrees that each Guarantor will continue to be bound by these provisions even if we make any changes to the Loan or in any way related to this guarantee, even if any or all of those changes are significant or increases the liability, potential or otherwise, of any Guarantor. We may require payment from any Guarantor before we attempt to obtain payment from you or from any other Guarantor, and all obligations of any Guarantor shall also be those of the Guarantor's successors and personal representatives, and will not be altered by the bankruptcy or any other financial incapacity of you or of any other Guarantor.
- (c) Until all of the Obligations are paid in full, each Guarantor now and in the future postpones all of such Guarantor's present and future debt claims which he, she or it may at any time have against you, in favour of payment to us of all of the Obligations, and all such present and future debt claims of such Guarantor are now assigned to us.
- (d) Each of you and each of the Guarantors agree with us that if at any time any one of you and/or them should make a payment with respect to the indebtedness secured by the Mortgage, or if any of you and/or them should provide an acknowledgement in writing of any of that indebtedness to us, the person so paying or so providing such acknowledgement will be deemed to be the agent of all of the others of them and all of them will be bound by the effect of the making of such payment or acknowledgement.
- (e) In addition to the obligations of each Guarantor set forth in this paragraph 21 of Part IV of these Terms, each Guarantor will now and in the future indemnify us and save us harmless of, from and against all losses, damages, liabilities, costs and expenses which we may at any time sustain by reason of the failure at any time of you to pay and fulfill the Obligations, and this indemnity will continue after the Mortgage has been discharged if, following such discharge, any of the Obligations have not been fully paid, fulfilled and performed.
- (f) Each Guarantor must agree to execute and provide to us such further assurances, agreements and documents that we believe necessary to document or secure the guarantees provided to us.

22. DISCHARGE OR ASSIGNMENT OF MORTGAGE TO ANOTHER LENDER

After you have paid us the Loan Amount (including all interest accrued thereon and not previously paid to us or capitalized), we will, subject to the provisions of paragraph 24 of Part IV of these Terms, sign a discharge or, if requested by you, an assignment of the Mortgage and send it to you within a reasonable time. To the maximum extent permitted by Applicable Law, you will pay our then current administrative fee for preparing and signing the discharge or assignment and all legal and other expenses, whether the discharge or assignment is prepared by your lawyer, by ours or by us. It is your responsibility to register the discharge or

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assignment on your title and to pay the registration fee provided that, if electronic registration is available for your Property, we may choose to register the discharge on your behalf, and at your cost, and provide you or your lawyer with confirmation of registration. For the purpose of this paragraph, you will not be considered to have paid us the Loan Amount until you have provided us with the full amount of the Loan Amount (plus interest as aforementioned) together with such interest and our said current administrative fee unconditionally.

23. ADMINISTRATION FEES

You agree to pay us, when due, our costs, expenses, and then current administration and processing fees in connection this Mortgage, whether provided in these Terms or elsewhere, including, but not limited to, our fees and expenses related, directly or indirectly, to: (a) administering the collection and payment of taxes; (b) dealing with stop payment requests and arrangements to hold or process any payments other than on its due date by preauthorized debit and with any late or missed payment and for replacement of each cheque or other instrument not honoured when presented for payment, or any preauthorized payment which does not clear as scheduled; (c) preparing each assumption, arrears, reinstatement, discharge or other mortgage statement, and each amortization or revised amortization schedule whether provided to you, our agents or solicitors or any other interested person; (d) setting up the Loan and periodically processing, maintaining and upgrading systems, licensing and data storage and retention and related customer service; (e) processing each application to obtain our consent for any matter required by the Mortgage whether or not approval or consent is provided or the matter is completed; (f) processing each payment frequency change, extension, renewal, restricting or other amendment of the Mortgage, the Loan Agreement or amounts secured by the Mortgage, whether or not completed; (g) investigating the status of any insurance, administering insurance cancellations, paying insurance premiums and dealing with insurance claims; (h) providing a copy or duplicate of documents from our file or an amortization schedule, a payment history, audit verification and other services of a clerical nature including retrieval, copying, transmissions and other charges; (i) investigating the status of realty tax payments and administering tax payments; (j) registering a financing statement or financing charge statement or issuing any notice or information, security status or acknowledgment request and conducting any required searches; (k) registering electronically or otherwise or executing and delivering any registration or discharge of the Mortgage (notwithstanding that the discharge may have been prepared by you or another person on your behalf); (l) all of our legal fees and disbursements on a solicitor and his own client full indemnity basis; (m) all taxes (save and except for income taxes as may be payable by us) incurred or payable by us in relation to any cost or expense; and (n) generally, any matter connected with the administration of the Mortgage, the Loan Agreement and your Property including inquiring into compliance, dealing with or enforcing any obligation contained in the Mortgage or Loan Agreement including, without limitation, with respect to preparation and administration of legal actions and enforcements, taxes, condominium fees and matters, insurance, repair and construction, environmental matters, leases and other encumbrances and managing or selling your Property; and you agree to our adding such fees and all our other costs and expenses, if unpaid, to the Loan Amount, which unpaid fees will be charged interest at your Interest Rate and will be secured by the Mortgage. The amount of such fees, costs and expenses in effect at any particular time is available by contacting us.

24. RE-ADVANCE

As, when and to the extent that the Loan Amount is repaid, the Mortgage will continue to stand as security for payment from time to time by you to us of all other present and future Obligations which you may have to us with respect to all direct borrowing and credit obligations and all guarantee obligations which you from time to time undertake to us (or otherwise become liable for to us), up to, at any particular time and from time to time, a principal amount equal to the difference between the original Principal Amount of the Mortgage (as the same may be altered from time to time) and the outstanding balance of the Loan Amount, and, unless otherwise agreed to between you and us, the Mortgage will so continue to stand as security for such other and new Obligations notwithstanding that the original Loan Amount is paid down to nil, and, accordingly, we shall be entitled, at our option, but without any obligation to do so, to make new advances of monies or monies' worth to you and the same, with interest at your Interest Rate (or, as the case may be, the interest rate or rates which you and we from time to time agree with respect to such new advances), all of which shall be secured by the Mortgage. All terms and provisions of the Mortgage shall continue to apply in full force and effect with respect to such new or other Obligations, excepting only those which apply specifically to the payment and repayment terms applicable to the original Loan secured hereby, and the precise payment and repayment terms which will apply to any new advances of monies or monies' worth which we may make to you, or with respect to any guarantee obligation that you have undertaken to us for the obligations of any other person or persons, shall be as agreed to between you and us, and if not so agreed to by you and us, all

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such monies will be repayable to us upon demand. The following additional provisions will apply to any new or other Obligations secured by the Mortgage referred to in this paragraph:

- (a) for any guarantee obligation undertaken by you to us, value will be deemed to have been provided by us to you at the time you provide your guarantee to us;
- (b) all new advances of value and all guarantee obligations undertaken by you will, as secured by the Mortgage, hold priority over all other mortgages, encumbrances, charges and liens from time to time affecting your Property, notwithstanding that any of the same have been made or recorded against your Property prior to the making of any new or further advance by us, or as the case may be, prior to your undertaking any guarantee obligation to us; and
- (c) the Mortgage, to the extent that it secures any such new or further Obligations of you to us, will be a continuing, collateral and additional security to us for the payment, fulfillment and performance of such Obligations.

25. DOCTRINE OF CONSOLIDATION

You shall be and be deemed to be in default under the Mortgage with respect to any indebtedness or liability owed by you and thereby secured, if you are in default in the payment, fulfillment or performance of any other Obligations you may at any time owe to us. Without limiting the generality of the foregoing, you agree that the doctrine of consolidation will apply to the Mortgage and any other mortgage you have now granted or in the future grant to us. This means that if you default under any of your Obligations to us then we can, as a condition of permitting you to repay any mortgage, require that you repay all mortgages including, but not limited to, the Mortgage.

26. DATE OF MORTGAGE

You agree that, only for the purpose of defining the date of the Mortgage with respect to any statutory right of prepayment, the date of the Mortgage will be deemed to be the Interest Adjustment Date, regardless of the date of signature provided that, for the purposes of Section 10 of the *Interest Act* (Canada), the date of the Mortgage will be the date that any renewal, amendment or extension takes effect. Time is of the essence of this Mortgage and any forbearance by us of the strict application of this requirement shall not operate as a continuing or subsequent forbearance.

27. WHO IS BOUND

- (a) Not only do you and each person who signs the Mortgage as a Guarantor agree to be bound by the payment, fulfillment and performance of the Obligations, but your and each Guarantor's legal and personal representatives, heirs, and anybody to whom your Property is transferred are also bound. The Mortgage is also binding on and will benefit our successors and assigns and anybody to whom we may transfer the Mortgage.
- (b) If more than one person signs the Mortgage, whether as mortgagor, as chargor, as Guarantor or as a combination thereof, then all persons who sign are jointly and severally liable to pay, fulfill and perform all of the Obligations. The Mortgage will be read with all necessary grammatical changes.

28. AGREEMENT

Where any provision of these Terms requires or allows us to approve or agree to any action, be it a course of action, omission, option, amendment, change or otherwise, our decision whether or not to approve or agree shall be made in an exercise of our sole discretion, without any obligation on our part to act reasonably unless we are required to do so by the terms of the specific provision requiring our approval.

29. PARTIAL INVALIDITY

If any provision of the Mortgage is found to be illegal or unenforceable, the validity or enforceability of all other provisions will not be affected. Notwithstanding this, if any provision of the Mortgage is so found to be illegal or unenforceable, we shall have the right, in our sole discretion, to require immediate repayment in full of the Loan Amount (together with all interest thereon not previously paid or capitalized).

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30. PARAGRAPH HEADINGS

Headings in the Mortgage are set forth for convenience of reference only, and are not to be taken or read for the purpose of interpreting the terms and provisions of the Mortgage.

31. CHANGE IN SPOUSAL STATUS

Upon any change or occurrence affecting either of the following:

- (a) the spousal status of any of you; and
- (b) the qualification of your Property as a matrimonial home within the meaning of Applicable Law;

you will immediately advise us accordingly. You acknowledge that we want this information in order to be kept fully informed of the names and addresses of the owner or owners of your Property and any spouse or former spouse who is not an owner but has any rights in your Property under Applicable Law. Herein, "spouse" includes any person given rights in your Property by Applicable Law. You certify to us that all information that you give to us about your spousal status and your Property when applying for the Loan secured by the Mortgage, and the statements made in the registered Mortgage are true and accurate under all Applicable Law.

32. REQUIREMENTS OF SECTION 6 OF THE INTEREST ACT (CANADA)

To the extent that Section 6 of the *Interest Act* (Canada), or any other section thereof, is at any time applicable to the Obligations (or some of the Obligations) secured by the Mortgage, you acknowledge for the purposes of our fulfilling our obligations under that Act that the information set forth in Appendix 1 to these Terms sets forth various loan principal amounts and the respective nominal interest rates applicable thereto and the equivalents thereof calculated half-yearly, not in advance, provided however that if said Section 6 applies to the Loan and the Mortgage but the Payment Frequency for the Loan is other than monthly, then the information which we are required to provide you pursuant to said Section 6 will be set forth elsewhere in the Mortgage or has otherwise been provided by us to you.

33. SEALED COVENANTS

It is the declared intention of each person signing the Mortgage (whether as a mortgagor, a chargor or a Guarantor) that each promise and agreement made in the Mortgage shall be treated as if made by each respectively of them under seal.

34. APPLICABILITY OF LEGISLATION

- (a) The covenants set out in Section 7(1) of the *Land Registration Reform Act* (Ontario) are excluded from the Mortgage.
- (b) If the *Ontario New Home Warranties Plan Act* (Ontario) applies to your Property, you agree to comply with its requirements and to reimburse us for any costs which we incur in complying with it or enforcing your rights on your behalf if you fail to do so. You agree to provide to us copies of the New Home Warranty Certificate and Certificate of Possession or other applicable certificates.
- (c) If the *Family Law Act* (Ontario), as amended from time to time, applies to the Mortgage, your spouse, by signing the Mortgage, consents to the Mortgage and releases all of his or her interest in your Property to the extent necessary to give effect to our rights under the Mortgage. Your spouse also agrees that we may, without further notice, deal with your Property and the Obligations secured by the Mortgage as we wish.
- (d) If the Mortgage is insured by a corporation that insures payment of mortgages to mortgage lenders, the Mortgage is made in pursuance of the *National Housing Act* (Canada).
- (e) All references to any statutes or Applicable Law, whether in this paragraph or elsewhere, shall be deemed to be a reference to such statute and any and all regulations from time to time made under such statute and to such statute and regulations as amended, reenacted or replaced from time to time. Any reference in these Terms to a specific section or sections, paragraph or clause of any statute or regulation shall be deemed to include a reference to the corresponding provision of future law.

STANDARD CHARGE TERMS
 CLAUSES TYPES DE CHARGE
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35. SECURITIZATION

We may, at our option, sell, assign or encumber the Mortgage to one or more third parties without notice to you, any Guarantor or any spouse signing the Mortgage and without requiring any consent. If we do so, you agree that the Mortgage shall continue to secure the Loan Amount owing under the Mortgage. Once sold or assigned, the Mortgage may be repurchased by us, whether or not it is in default. You and each Guarantor and spouse executing the Mortgage hereby authorize and consent to us or any other person having an interest in the Mortgage from time to time and their or our respective agents and advisors including any party retained to service the Mortgage, releasing, disclosing and assigning any person or other information (including financial information) with respect to you, any Guarantor and your spouse, the Mortgage and your Property, regardless of the scope of distribution and to any such other person as may be required to complete, administer, realize, assign, securitize or otherwise deal with the Mortgage or the Loan from time to time.

36. NOTICE

- (a) Unless otherwise stated in the Mortgage, and if the Mortgage allows or requires us to make a demand on, give a notice or consent to or make a request of any person (including you), we may make the demand, give the notice or consent or make the request, in any one or more of the following ways, at our sole discretion:
- (i) by delivering it personally to you;
 - (ii) if to a corporate body (including if you are a corporate body), by delivering it personally to a director, officer or employee of the corporate body;
 - (iii) by transmitting it by facsimile or e-mail;
 - (iv) if to a corporate body (including if you are a corporate body), by transmitting it via facsimile or e-mail to a director, officer or employee of the corporate body;
 - (v) by mailing it by prepaid mail addressed to your Property;
 - (vi) by mailing it by prepaid mail to the recipient's last known address on our records; or
 - (vii) by any other means we approve in advance.
- (b) Any notice that you give to us must be by one of the following methods:
- (i) by registered mail, postage prepaid to our address;
 - (ii) by personal delivery to the person we designate at our address from time to time for the receipt of personal service;
 - (iii) by transmitting it by facsimile or e-mail to the facsimile number or e-mail account designated by us from time to time; or
 - (iv) by any other means we approve in advance.
- (c) Unless otherwise agreed to by us, any document delivered in accordance with these Terms will be deemed to be given and received:
- (i) when it is personally delivered;
 - (ii) if sent to us by facsimile or e-mail, on the date that it is actually received by us;
 - (iii) if sent by us by facsimile or e-mail, on the day of transmission by us or, if that day is a Saturday, Sunday or statutory holiday, on the first day after transmission that is not a Saturday, Sunday or statutory holiday;
 - (iv) five days after mailing by us, whether received by the recipient or not;
 - (v) five days after mailing to us by registered mail, unless not delivered; or
 - (vi) on any other date we approve when we approve an alternative method of notice.
- (d) A telephone call to us does not constitute notice, and we are not bound by any information provided to you, or to anyone, via telephone. You agree that we may record any telephone calls to ensure quality service and to confirm your discussions with us and any of our employees.

37. DISCREPANCY OR INCONSISTENCY

In the event of any discrepancy or inconsistency between these Terms, the Loan Agreement and the Mortgage Document, the provisions of these documents shall apply in the following order of precedence to resolve the discrepancy or inconsistency: (i) the Loan Agreement, including any schedules thereto; (ii) any Schedule attached to and forming part of the Mortgage Document; (iii) the Mortgage Document, but not including any Schedule attached thereto or these Terms; and (iv) these Terms.

STANDARD CHARGE TERMS
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38. RECEIPT

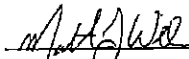
You, and every Guarantor, hereby acknowledge receipt of a true copy of the Mortgage and these Terms before signing the Mortgage.

DATED the 2nd day of February, 2016

ADJ Holdings Inc.

by its solicitors, Lerner LLP

Per:



Matthew J. Wilson

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE
Filing No. 201604 Cote

APPENDIX 1

COLUMN A	COLUMN B	COLUMN A	COLUMN B	COLUMN A	COLUMN B
Interest Rate compounded monthly not in advance	Equivalent interest rate compounded semi-annually not in advance	Interest Rate compounded monthly not in advance	Equivalent interest rate compounded semi-annually not in advance	Interest Rate compounded monthly not in advance	Equivalent interest rate compounded semi-annually not in advance
1.125%	1.128%	10.125%	10.341%	19.125%	19.903%
1.250%	1.253%	10.250%	10.471%	19.250%	20.039%
1.375%	1.379%	10.375%	10.602%	19.375%	20.174%
1.500%	1.505%	10.500%	10.732%	19.500%	20.310%
1.625%	1.631%	10.625%	10.863%	19.625%	20.445%
1.750%	1.756%	10.750%	10.994%	19.750%	20.581%
1.875%	1.882%	10.875%	11.124%	19.875%	20.716%
2.000%	2.008%	11.000%	11.255%	20.000%	20.852%
2.125%	2.134%	11.125%	11.386%	20.125%	20.988%
2.250%	2.261%	11.250%	11.517%	20.250%	21.124%
2.375%	2.387%	11.375%	11.648%	20.375%	21.260%
2.500%	2.513%	11.500%	11.779%	20.500%	21.396%
2.625%	2.639%	11.625%	11.910%	20.625%	21.533%
2.750%	2.766%	11.750%	12.041%	20.750%	21.668%
2.875%	2.892%	11.875%	12.173%	20.875%	21.804%
3.000%	3.019%	12.000%	12.304%	21.000%	21.940%
3.125%	3.145%	12.125%	12.435%	21.125%	22.077%
3.250%	3.272%	12.250%	12.567%	21.250%	22.213%
3.375%	3.399%	12.375%	12.698%	21.375%	22.350%
3.500%	3.526%	12.500%	12.830%	21.500%	22.486%
3.625%	3.652%	12.625%	12.962%	21.625%	22.623%
3.750%	3.779%	12.750%	13.094%	21.750%	22.760%
3.875%	3.906%	12.875%	13.226%	21.875%	22.896%
4.000%	4.033%	13.000%	13.357%	22.000%	23.033%
4.125%	4.161%	13.125%	13.489%	22.125%	23.170%
4.250%	4.288%	13.250%	13.621%	22.250%	23.307%
4.375%	4.415%	13.375%	13.753%	22.375%	23.444%
4.500%	4.542%	13.500%	13.885%	22.500%	23.581%
4.625%	4.670%	13.625%	14.018%	22.625%	23.719%
4.750%	4.797%	13.750%	14.150%	22.750%	23.856%
4.875%	4.925%	13.875%	14.282%	22.875%	23.993%
5.000%	5.052%	14.000%	14.415%	23.000%	24.131%
5.125%	5.180%	14.125%	14.547%	23.125%	24.268%
5.250%	5.308%	14.250%	14.680%	23.250%	24.406%
5.375%	5.436%	14.375%	14.812%	23.375%	24.543%
5.500%	5.563%	14.500%	14.945%	23.500%	24.681%
5.625%	5.691%	14.625%	15.078%	23.625%	24.819%
5.750%	5.819%	14.750%	15.211%	23.750%	24.957%
5.875%	5.947%	14.875%	15.344%	23.875%	25.095%
6.000%	6.076%	15.000%	15.477%	24.000%	25.232%
6.125%	6.204%	15.125%	15.610%	24.125%	25.371%
6.250%	6.332%	15.250%	15.743%	24.250%	25.509%
6.375%	6.460%	15.375%	15.876%	24.375%	25.647%
6.500%	6.589%	15.500%	16.009%	24.500%	25.785%
6.625%	6.717%	15.625%	16.143%	24.625%	25.923%
6.750%	6.846%	15.750%	16.276%	24.750%	26.062%
6.875%	6.974%	15.875%	16.409%	24.875%	26.200%
7.000%	7.103%	16.000%	16.543%	25.000%	26.339%
7.125%	7.232%	16.125%	16.677%	25.125%	26.477%
7.250%	7.360%	16.250%	16.810%	25.250%	26.616%
7.375%	7.489%	16.375%	16.944%	25.375%	26.755%
7.500%	7.618%	16.500%	17.078%	25.500%	26.894%
7.625%	7.747%	16.625%	17.212%	25.625%	27.033%
7.750%	7.876%	16.750%	17.345%	25.750%	27.172%
7.875%	8.005%	16.875%	17.480%	25.875%	27.311%
8.000%	8.135%	17.000%	17.614%	26.000%	27.450%
8.125%	8.264%	17.125%	17.748%	26.125%	27.589%
8.250%	8.393%	17.250%	17.882%	26.250%	27.728%
8.375%	8.522%	17.375%	18.016%	26.375%	27.867%
8.500%	8.651%	17.500%	18.151%	26.500%	28.007%
8.625%	8.781%	17.625%	18.285%	26.625%	28.146%
8.750%	8.911%	17.750%	18.419%	26.750%	28.288%
8.875%	9.041%	17.875%	18.554%	26.875%	28.425%
9.000%	9.170%	18.000%	18.688%	27.000%	28.565%
9.125%	9.300%	18.125%	18.823%	27.125%	28.705%
9.250%	9.430%	18.250%	18.958%	27.250%	28.845%
9.375%	9.560%	18.375%	19.093%	27.375%	28.985%
9.500%	9.690%	18.500%	19.228%	27.500%	29.124%
9.625%	9.820%	18.625%	19.363%	27.625%	29.265%
9.750%	9.950%	18.750%	19.498%	27.750%	29.405%
9.875%	10.080%	18.875%	19.633%	27.875%	29.545%

STANDARD CHARGE TERMS
 CLAUSES TYPES DE CHARGE
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TAB W

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

CONSENT

THE UNDERSIGNED, BDO Canada Limited, hereby consents to its appointment as receiver of the assets, undertaking and property of the respondent, Horizen Developments GP Corp., under the terms of an order which will be sought from this Honourable Court in this matter.

Dated this 8th day of September, 2025

BDO CANADA LIMITED



Name: Michael Basso, LIT
Title: Senior Vice President

I have the authority to bind the Corporation

ADJ HOLDINGS INC.

- and -

HORIZEN DEVELOPMENTS GP CORP.

Applicant

Respondent

Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

CONSENT

Harrison Pensa^{LLP}
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Michael E. Cassone (LSO #45073G)
Tel: (519) 679-9660
Fax: (519) 667-3362
mcassone@harrisonpensa.com

Lawyers for the Applicant
MEC/208916

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

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I have the authority to bind the Corporation

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- and-

HORIZEN DEVELOPMENTS GP CORP.

Applicant

Respondent

Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

CONSENT

Harrison Pensa^{LLP}
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Michael E. Cassone (LSO #45073G)
Tel: (519) 679-9660
Fax: (519) 667-3362
mcassone@harrisonpensa.com

Lawyers for the Applicant
MEC/208916

TAB 4

Court File No. CV-25-00002469-0000——

ONTARIO
SUPERIOR COURT OF JUSTICE

~~COMMERCIAL LIST~~

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR2025

PLAINTIFF¹ ADJ HOLDINGS INC.

PlaintiffApplicant

- and -

DEFENDANT² HORIZEN DEVELOPMENTS GP CORP.

DefendantRespondent

ORDER
(appointing Receiver)

THIS ~~MOTION-APPLICATION~~ made by the Plaintiff² Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing ~~[RECEIVER'S NAME]~~BDO Canada Limited as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~Horizen Developments GP Corp. (the "Debtor") acquired for, or used in

¹~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

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

relation to a business carried on by the Debtor, including the real property owned by the Debtor and described in Schedule "A" hereto (the "Real Property") was heard this day at 330 University Avenue, Toronto~~80 Dundas Street, London~~, Ontario.

ON READING the affidavit of ~~[NAME]~~ Andrew Charabin sworn ~~[DATE]~~ September 4, 2025, and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~, the Applicant, no one appearing for ~~[NAME]~~ the Respondent, although duly served as appears from the affidavit of service of ~~[NAME]~~ Kelsey Evanitski sworn ~~[DATE]~~ September 8, 2025, and on reading the consent of ~~[RECEIVER'S NAME]~~ BDO Canada Limited to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion Application~~ and the ~~Motion Application Record~~ is hereby abridged and validated³ so that this ~~motion application~~ is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~ BDO Canada Limited is hereby appointed Receiver, without security, of the Real Property and of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively the "Property").

RECEIVER'S POWERS

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

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

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

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages*

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

Act, as the case may be,⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

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

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$450,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as

⁶~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "AB" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

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

SERVICE AND NOTICE

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

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by

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

GENERAL

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

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

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

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

31. THIS COURT ORDERS that the ~~Plaintiff-Applicant~~ shall have its costs of this ~~motion~~ application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff's-Applicant's~~ security or, if not so provided by the ~~Plaintiff's-Applicant's~~ security,

then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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

SCHEDULE "A"

REAL PROPERTY

PIN 08056-1935 (LT)

Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373
City of London, County of Middlesex

and known municipally as 520 Sarnia Road, London, Ontario.

SCHEDULE "BA"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ BDO Canada Limited, the receiver (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of Horizen Developments GP Corp. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "Court") dated the ___ day of _____, 2025 (the "Order") made in an action having Court file number ~~—CLCV-25-00002469-0000~~, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~, BDO CANADA LIMITED, solely in its capacity
-as Receiver of the Property, and not in its personal capacity

Per: _____
Name:
Title:

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) FRIDAY, THE 19th
JUSTICE) DAY OF SEPTEMBER, 2025

ADJ HOLDINGS INC.

Applicant

- and -

HORIZEN DEVELOPMENTS GP CORP.

Respondent

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing BDO Canada Limited as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertaking and properties of Horizen Developments GP Corp. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property owned by the Debtor and described in Schedule "A" hereto (the "Real Property") was heard this day at 80 Dundas Street, London, Ontario.

ON READING the affidavit of Andrew Charabin sworn September 4, 2025, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for the Respondent, although duly served as appears from the affidavit of service of Kelsey

Evanitski sworn September 8, 2025, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of the Real Property and of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively the "Property").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in

that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including

without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$450,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

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

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

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

GENERAL

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

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

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

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

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

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

SCHEDULE "A"

REAL PROPERTY

PIN 08056-1935 (LT)

Block 1, Plan 33M-273, save and except Parts 1-5, Plan 33R-21373
City of London, County of Middlesex

and known municipally as 520 Sarnia Road, London, Ontario.

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "Receiver") of the assets, undertakings and properties of Horizen Developments GP Corp. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ____ day of _____, 2025 (the "Order") made in an action having Court file number CV-25-00002469-0000, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ____ day of _____, 20__.

BDO CANADA LIMITED, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

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ADJ HOLDINGS INC.

- and -

HORIZEN DEVELOPMENTS GP CORP.

Applicant

Respondent

Court File No. CV-25-00002469-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

APPLICATION RECORD

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MEC/208916