

COURT FILE NUMBER 2503-24392

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

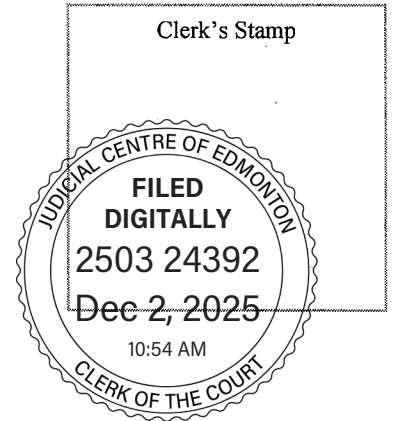
PLAINTIFF ROYAL BANK OF CANADA

DEFENDANTS 1654286 ALBERTA LTD. and KAPIL SHARMA

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

McMillan LLP
#1700, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention: Kourtney Rylands / Elayna Dushenski
Telephone: (403) 355.3326
Fax: (403) 531.4720
Email: kourtney.rylands@mcmillan.ca / elayna.dushenski@mcmillan.ca
File No. 320592



Affidavit of Howard Wang
Sworn November 27, 2025

I, Howard Wang, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Manager of Special Loans and Advisory Services employed by Royal Bank of Canada ("**RBC**" of the "**Bank**"), the Plaintiff/Applicant in these proceedings. I am authorized to make this affidavit on behalf of RBC.
2. I have knowledge of the facts and matters described below, except where stated to be based upon information and belief, in which case I state the source of my information and believe it to be true.

Parties and Overview

3. RBC is a Schedule I Bank under the *Bank Act*, SC 1991, c 46 that provides financial services throughout Canada and carries on business in Edmonton, Alberta.

4. The Defendant/Respondent, 1654286 Alberta Ltd., (the “**Debtor**”) is a corporation incorporated pursuant to the laws of Alberta. To the best of my knowledge, the Debtor has a registered office located at 9133 35 Avenue NW, Edmonton, Alberta, T6E 5Y1. A copy of the Alberta corporate search of the Debtor is attached hereto as **Exhibit “A.”**

5. To the best of my knowledge, the Debtor was engaged in the business of leasing its real property and the business is not currently operating.

6. RBC loaned money to the Debtor pursuant to a commitment letter, which is secured by a commercial mortgage granted by the Debtor in favour of the Bank, as further described herein.

7. I swear this affidavit in support of an application by RBC (the “**Application**”) for the appointment of a receiver and manager over:

- (a) the mortgaged land owned by the Debtor legally described as

CONDOMINIUM PLAN 0424262

UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE
COMMON PROPERTY

EXCEPTING THEREOUT ALL MINES AND MINERALS

and municipally described as 9266 34 Avenue NW, Edmonton, Alberta, T6E 5P2
(the “**Mortgaged Land**”). A copy of the Certificate of Title for the Mortgaged Land
is attached hereto as **Exhibit “B”**; and

- (b) the assets, undertakings and properties of the Debtor related to the Mortgaged Land
(together with the Mortgaged Land, the “**Property**”).

Loan and Security Agreements

8. RBC and the Debtor entered into various agreements, including a commitment letter dated November 5, 2021 (the “**Commitment Letter**”) and a mortgage dated January 7, 2022 (the “**Mortgage**”) pursuant to which the Bank advanced funds to the Debtor.

Commitment Letter

9. By the Commitment Letter, a copy of which is attached hereto as **Exhibit “C”**, the Bank agreed to extend and did extend a mortgage loan in the amount of \$810,000.00 (the “**Loan**”), on which the Borrower shall pay a fixed rate of interest according to the Bank’s cost of funds for the terms of the Loan.

10. Pursuant to the terms of the Commitment Letter, among other things:

- (a) the Borrower agreed to pay all costs, charges, and expenses incurred by the Bank in connection with the enforcement of the Commitment Letter, the Loan, or any underlying security;
- (b) the Bank has the right to terminate the Commitment Letter if a material adverse change has occurred in the financial condition of the Borrower, in the condition of the Property, or in the revenues from the Property;
- (c) upon the Bank’s request the Borrower shall provide to the Bank such further information, reports or statements as may be required. Failure to provide any statement when due or within 30 days of a written request constitutes a default under the Commitment Letter.

Security

11. As security for the borrowings and all other obligations of the Debtor to the Bank under the Commitment Letter, the Debtor granted to the Bank:

- (a) the Mortgage constituting a first mortgage and charge on the Mortgaged Land;

- (b) a first general assignment of rents and revenues from the Mortgaged Land dated January 7, 2022 (“**Assignment of Rents**”);
- (c) a site specific security agreement comprising a first ranking security interest on the personal property situate on, used in connection with or arising from the Mortgaged Land dated January 7, 2022 (the “**Site Specific Security Agreement**”); and
- (d) an unconditional guarantee of mortgage in the maximum principal amount of \$810,000.00 signed by the Personal Guarantor, dated January 7, 2022 (“**Guarantee**” and collectively with the Commitment Letter, the Mortgage, the Assignment of Rents, and the Site Specific Security Agreement, the “**Loan and Security Agreements**”).

12. Copies of the Assignment of Rents, Site Specific Security Agreement and the Guarantee are attached hereto collectively as Exhibit “**D**”.

13. The Site Specific Security Agreement is registered in the Alberta Personal Property Registry. A copy of the Alberta Personal Property Registry search of the Debtor is attached hereto as Exhibit “**E**”.

Mortgage

14. By the Mortgage, a copy of which is attached hereto as Exhibit “**F**”, the Debtor granted in favour of the Bank, the mortgage as security for the Commitment Letter on the terms and conditions set out in the Mortgage, which was registered against the Mortgaged Land owned by the Debtor.

15. The terms and conditions of the Mortgage include the following, among other things:

- (a) the principal amount secured by the Mortgage is \$810,000.00;
- (b) in relation to the Mortgage, the Borrower shall pay interest at a fixed rate being 18.0% per annum, calculated semi-annually not in advance; and
- (c) if event of default occurs upon:

- (i) the Bank may make such arrangements for the taking care of, leasing, collecting the rents of, and generally managing the Property as it may deem expedient, with all reasonable costs, charges, and expenses payable by the Borrower; and
- (ii) the Bank is entitled to exercise various remedies, one of which is the appointment of a receiver or a receiver manager over the Property, and the rents and profits thereof.

16. The Mortgage was registered on the title of the Mortgaged Land on April 20, 2022, as instrument number 222 088 795 and governed by the Bank's Standard Form Mortgage Terms filed at the Alberta Land Titles Office, a copy of which is attached hereto as **Exhibit "G"**.

Current Status of Debtor

17. To the best of my knowledge, there are currently no employees of the Debtor.

Current State of the Property and Other Interested Parties

18. The Bank's counsel, McMillan LLP was advised by the Debtor that the Property was extensively damaged in a fire in April 2025 and that construction for repairs is ongoing and anticipated to be completed in January 2026. Further, the Debtor advised that the previous tenant of the Property is no longer in possession of same and an insurance claim was made by the Debtor in regard to the property damage for the loss of rent from April 2025 until the present time.

19. To the best of my knowledge, the Bank has no evidence confirming the extent of damage to the Property or the reconstruction of the same. Commencing in September 2025, the Bank's counsel, McMillan LLP, made numerous attempts to request this information from the Debtor which have all been unsuccessful.

20. To the best of my knowledge, the Bank has no evidence the details of the insurance claim regarding the property damage or relating to loss of rental income. Commencing in September 2025, the Bank's counsel, McMillan LLP, made numerous attempts to request this information from the Debtor which have all been unsuccessful.

21. The Bank has no information to confirm whether the Mortgaged Land is being maintained or whether utilities are being paid.

22. The Bank has very limited information regarding the reconstruction and repair of the Mortgaged Land, despite numerous requests made to the Debtor by the Bank's counsel.

23. The Bank's counsel, McMillan LLP was advised by the Debtor that property tax arrears owing to the City of Edmonton were fully repaid. To the best of my knowledge, there is currently \$30,473.73 in outstanding property tax amounts owing to the City of Edmonton as of November 26, 2025. A copy of the tax certificate from the City of Edmonton is attached hereto as **Exhibit "H"**.

24. To the best of my knowledge, as of the date of this affidavit, there are no other secured creditors that have an interest in the Property other than RBC.

The Debtor's Defaults and Demands

25. Events of default have occurred under the Loan and Security Agreements because of the Debtor's failure to pay all sums of money when due, the occurrence of a material adverse change in the financial condition of the Borrower and in the condition of the Property, and a failure to pay property taxes on the Property which resulted in property tax arrears, and the failure of the Debtor to provide information relating to any insurance claims with respect to the Property.

26. Accordingly, RBC sent the Debtor a demand letter and a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* on or about September 24, 2025 (the "**Demand**"). A copy of the demand that was sent to the Debtor is attached hereto as **Exhibit "I"**.

27. On or about September 24, 2025, when the Demand was issued, the indebtedness due and owing to RBC was \$764,748.60 excluding fees costs and expenses.

28. RBC did not receive any payment from the Debtor after the Demand was issued.

29. RBC offered to enter into a forbearance agreement with the Debtor in order to provide additional time for the Property to be repaired and sold. It was a condition precedent of such offer

that the Debtor provide all insurance and construction information relating to the repair of the Property. To date the Debtor has failed to provide any information to the Bank relating to any insurance claims with respect to the Property and has provided very limited information relating to the repair of the Property.

Current Indebtedness of the Debtor

30. The Debtor is indebted to the Bank pursuant to the Loan and Security Agreements in the amount of \$781,814.24, calculated as follows:

- (a) \$769,574.24 being the principal and interest due under the Loan and Security Agreements as of November 25, 2025; and
- (b) \$12,240.00, being the pre-litigation legal fees and expenses incurred by the Bank for the administration, operation, termination, enforcement, or protection of its rights in connection with the Loan and Security Agreements including any fees and expenses incurred by the Bank as at November 25, 2025, plus all costs, fees, and expenses accruing thereafter (collectively, the “**Indebtedness**”).

31. The Indebtedness is a just debt, due and owing, to the Bank.

32. As of the date of this affidavit, the Debtor has failed to repay the Indebtedness owing in response to the demands and the Indebtedness of the Debtor remains outstanding.

Appointment of a Receiver

33. Pursuant to the Mortgage and specifically pursuant to Bank’s Standard Form Mortgage Terms filed at the Alberta Land Titles Office which forms part of the Mortgage, RBC is entitled to appoint a receiver over the Mortgaged Land upon the occurrence of and during the continuance of any default by the Debtor.

34. Based on the foregoing, I believe that RBC’s right to recover against the Property is in jeopardy and that the appointment of a receiver over the Property is just and convenient in the circumstances.

35. In the circumstances, I believe that the appointment of a receiver over the Property of the Debtor is also necessary to protect and preserve the property of the Debtor as described herein, to provide the most efficient and cost-effective manner to maximize the value of the assets for the benefit of all creditors and to provide for an orderly disposition of the Property of the Debtor.

36. Specifically, I believe that the appointment of a receiver is necessary to deal with several issues in the most efficient and cost-effective manner pertaining to the enforcement of RBC's Loan and Security Agreements including:

- (a) permitting the receiver to maintain and preserve the Mortgaged Land including without limitation ensuring payment of any utilities, municipal taxes or insurance, as at present it is unknown if any utilities, taxes or insurance premiums are being paid;
- (b) allowing the receiver to correspond directly with any management company and/or condominium corporation engaged in respect of the Property, the insurance companies involved in any insurance claims made in respect of the Property and any and all contractors hired in respect of same;
- (c) allowing the receiver to manage the completion of any and all repairs to the Mortgaged Land;
- (d) allowing the Property to be leased and collecting rent for the Mortgaged Land once repaired; and
- (e) permitting the receiver and its realtor access to the Mortgaged Land for the purposes of listing the Mortgaged Land and control over the sale process of the Mortgaged Land once repairs are complete.

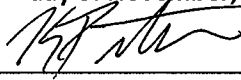
37. BDO Canada Limited has consented to act as receiver of the Debtor in respect of the Property. A copy of a consent to act signed by the proposed Receiver is attached hereto as **Exhibit "J"**.

[Signature]

2/14

Hao Wang

**This is Exhibit "A" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.**



**A Commissioner for Oaths in
and for the Province of Ontario**

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

Government of Alberta ■ Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2025/09/10
Time of Search: 09:21 AM
Search provided by: MCMILLAN LLP
Service Request Number: 45407900
Customer Reference Number: 320592

Corporate Access Number: 2016542868
Business Number:
Legal Entity Name: 1654286 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2012/01/24 YYYY/MM/DD
Date of Last Status Change: 2023/06/01 YYYY/MM/DD

Revival/Restoration Date: 2023/06/01 YYYY/MM/DD

Registered Office:
Street: 9133 35 AVE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6E5Y1

Records Address:
Street: 9133 35 AVE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6E5Y1

Email Address: KPACCOUNTING@LIVE.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
SHARMA	KAPIL			9133 - 35 AVE	EDMONTON	ALBERTA	T6E5Y1	KPACCOUNTING@LIVE.COM

Directors:

Last Name: SHARMA
First Name: KAPIL
Street/Box Number: 1, 23332 TOWNSHIP ROAD 520
City: SHERWOOD PARK
Province: ALBERTA
Postal Code: T8B1L2

Voting Shareholders:

Last Name: SHARMA
First Name: KAPIL
Street: 1, 23332 TOWNSHIP ROAD 520
City: SHERWOOD PARK
Province: ALBERTA
Postal Code: T8B1L2
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE
Share Transfers Restrictions: NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED, OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS
Min Number Of Directors: 1
Max Number Of Directors: 20
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2025	2024/12/16

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2012/01/24	Incorporate Alberta Corporation
2016/02/01	Change Director / Shareholder
2020/02/20	Update BN
2020/08/31	Change Address
2022/03/02	Status Changed to Start for Failure to File Annual Returns
2022/07/02	Status Changed to Struck for Failure to File Annual Returns
2023/06/01	Initiate Revival of Alberta Corporation
2023/06/01	Complete Revival of Alberta Corporation
2024/12/16	Enter Annual Returns for Alberta and Extra-Provincial Corp.

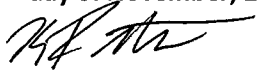
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2012/01/24
Other Rules or Provisions	ELECTRONIC	2012/01/24

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is Exhibit "B" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario



Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0031 008 865 0424262;6 122 350 285

LEGAL DESCRIPTION
CONDOMINIUM PLAN 0424262
UNIT 6
AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE
ATS REFERENCE: 4;24;52;4;NE

MUNICIPALITY: CITY OF EDMONTON

REFERENCE NUMBER: 082 360 100 +5

REGISTERED OWNER(S)
REGISTRATION DATE (DMY) DOCUMENT TYPE VALUE CONSIDERATION

122 350 285 23/10/2012 TRANSFER OF LAND \$997,600 \$997,600

OWNERS

1654286 ALBERTA LTD.
OF 5043 MCLUHAN DRIVE
EDMONTON
ALBERTA T6R 0J4

(DATA UPDATED BY: CHANGE OF ADDRESS 222088794)

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

782 119 199 01/06/1978 UTILITY RIGHT OF WAY
GRANTEE - THE CITY OF EDMONTON.
AS TO PORTION OR PLAN: 7821553
"DIS. 792319507 ON PLAN 7821553, 31/12/1979"
(DATA UPDATED BY: 142163943)

982 252 361 24/08/1998 CAVEAT
RE : ENCROACHMENT AGREEMENT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

122 350 285

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

222 088 795 20/04/2022 MORTGAGE
MORTGAGEE - ROYAL BANK OF CANADA.
4TH FLOOR, 36 YORK MILLS ROAD
TORONTO
ONTARIO M2P0A4
ORIGINAL PRINCIPAL AMOUNT: \$810,000

222 088 796 20/04/2022 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - ROYAL BANK OF CANADA.
4TH FLOOR, 36 YORK MILLS ROAD
TORONTO
ONTARIO M2P0A4
AGENT - TERRY W ANTONELLO

242 093 144 22/04/2024 TAX NOTIFICATION
BY - THE CITY OF EDMONTON.
PO BOX 1935, STN MAIN
EDMONTON, ALBERTA
T5J2P3

* ADDITIONAL REGISTRATIONS MAY BE SHOWN ON THE CONDOMINIUM ADDITIONAL
PLAN SHEET

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 10 DAY OF
SEPTEMBER, 2025 AT 10:36 A.M.

ORDER NUMBER: 54916379

CUSTOMER FILE NUMBER: 320592 LINDA

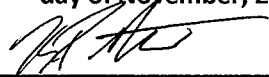


END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

This is Exhibit "C" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

H.W

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.



Commercial Mortgages
10111 104 Avenue NW, Suite 2430
Edmonton, AB
T5J 0J4
Tel: 780-222-1928
Fax: 708-448-6871

COMMITMENT LETTER

November 5, 2021

1654286 Alberta Ltd.
9133 35 Avenue NW
Edmonton, AB
T6E 5Y1

Dear Sir/Madam:

We are pleased to confirm that Royal Bank of Canada has approved a **First** mortgage loan (herein the "Loan") upon the following terms and conditions.

**BORROWER AND
MORTGAGOR:**

1654286 Alberta Ltd. ("you" or the "Borrower").

**LENDER AND
MORTGAGEE:**

Royal Bank of Canada ("us" or "we" or the "Lender").

LOAN AMOUNT:

\$810,000.00

LOAN PURPOSE:

The proceeds of the Loan will be used to pay out existing financing provided by another lender, with the balance as an equity withdrawal.

**INTEREST RATE
AND TERM:**

A fixed rate of interest will be set on the day of advance and will be equal to Royal Bank of Canada's cost of funds, as determined by us in our sole discretion, for the term of the Loan set out below, plus a spread as indicated in the chart below, per annum, calculated semi-annually not in advance, both before and after maturity, default and judgment.

Please have all Mortgagors and guarantors initial in the "Initial" box of the row that represents the selected Term:

Term (years)	Royal Bank of Canada Cost of Funds	Spread (%)	Indication Interest Rate* (%)	Mortgagor(s) Initials:	Guarantor(s) Initials:
1	1.210%	1.500%	2.710%		
2	1.710%	1.500%	3.210%		
3	1.980%	1.500%	3.480%	V	
4	2.080%	1.500%	3.580%		W

*These rates are indication rates only and are subject to change daily. As noted above, the interest rate will be set on the day of advance.

The Term will commence on the interest adjustment date as hereinafter defined.

AMORTIZATION:

25 years.

REPAYMENT:

Interest shall accrue on the amounts advanced from time to time, from the respective dates of such advances, and be paid monthly by you until the interest adjustment date inclusively, which shall be the first day of the month next following the final advance, unless the date of such final advance is the first day of a month, whereupon that date will be the interest adjustment date.

Thereafter, a blended payment of principal and interest, in an amount set at the advance date of the Loan, shall be paid by you on the 1st day of each month during the term of the Loan and the balance shall be due and payable in full on maturity.

**PAYMENT
AUTHORIZATION:**

You authorize us to automatically debit any account maintained by you with Royal Bank of Canada or its affiliates for principal, interest and all other amounts due in respect of the Loan. Alternatively, you will execute such documents as may be required to permit us to automatically debit your account at another financial institution for all amounts owing under this commitment letter.

PREPAYMENT:

The term of the Loan is stipulated in favour of the Lender.

The loan is a fixed rate loan, and you have no right to prepay the loan, or any part of the loan, prior to its maturity date. Any prepayment of the loan prior to its maturity date, in whole or in part, requires an amendment of the terms of this agreement. An amendment to permit such a prepayment requires our prior written consent. We may provide our consent to an amendment to permit a prepayment upon satisfaction by you of any conditions we may reasonably impose, including, without limitation, your agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by us as the sum of:

- (a) the greater of:
 - (i) the amount equal to three (3) months' interest payable on the amount of the loan being prepaid, calculated at the interest rate applicable to the loan on the date of prepayment; and
 - (ii) the present value of the cash flow associated with the difference between our original cost of funds for the loan and the current cost of funds for a loan with a term substantially similar to the remaining term of the loan and an amortization period substantially similar to the remaining amortization period of the loan, each as determined by us on the date of such prepayment;

plus:

- (b) foregone margin over the remainder of the term of the loan. Foregone margin is defined as the present value of the difference between our original cost of funds for the loan and the interest that would have been charged to you over the remaining term of the loan;

plus:

- (c) a processing fee.

The Prepayment Fee shall also be payable by you in the event we demand repayment of the outstanding principal of the loan on the occurrence of a default. Your obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by you to us, will form part of the loan amount and will be secured by the security described herein.

SECURITY:

The security for the Loan (the "Security") shall be:

- (a) a first mortgage and charge (the "Mortgage") on the freehold property, in the amount of **\$810,000.00**, known municipally as 9266 34 Avenue NW, Edmonton, AB T6E 5P2, and having a unit therein of not less than 3,179 leasable commercial square feet ("the Property");
- (b) a first general assignment of rents and revenues from the Property upon terms which will, until default, permit you to continue to receive the rents and revenues;
- (c) a site specific security agreement comprising a first security interest on the personal property now or hereafter situate on, used in connection with or arising from the Property, including, without limitation, accounts receivable;
- (d) the ~~several~~ unconditional guarantee of Kapil Sharma, guaranteeing payment of the principal of the Loan, and all other amounts due hereunder, including, without limitation, interest. The guarantee is to be supported by a certificate of independent legal advice, if recommended by our solicitors.

All Security shall be in the forms used by us and must in all respects be satisfactory to us and our solicitors in their absolute discretion. Our solicitors in this transaction are Biamonte LLP, 1700, Oxford Tower - 10025 - 102A Ave., Edmonton, AB, T5J 2Z2, Attention: Terry Antonello, Tel: 780-425-5805, antonello@biamonte.com.

TITLE:

You will have, as the registered and beneficial owner of the Property, a good and marketable title to the Property, and our Mortgage will have first ranking priority in respect of the Property over all other encumbrances, leases, restrictions, liens, assignments and easements whatsoever, except for encumbrances to which we consent in writing. You agree that there will be no subsequent encumbrances on the Property other than those consented to in writing by us.

FINANCIAL INFORMATION:

Each year during the term of the Loan, within 120 days of each fiscal year end (or by such other date as indicated below, if applicable), you shall provide the following information to us:

- (a) Notice to Reader financial statements of 1654286 Alberta Ltd., duly signed and dated;
- (b) An updated personal statement of affairs for Kapil Sharma, duly signed and dated 36 months from the date of the first advance and at the end of every 36 months thereafter;
- (c) Operating statements relating specifically to the Property;
- (d) A current rent roll for the Property;
- (e) Copies of any new commercial leases signed in the past year or amendments to previous leases provided to us;
- (f) A property tax receipt indicating that taxes are paid, by the deadline indicated under the section entitled "Taxes" below;
- (g) A copy of the current insurance policy.

Upon our request you and/or the Guarantor(s) shall provide to us such further information, reports or statements as may be required from time to time. Failure to provide any statement when due or within 30 days of a written request will constitute a default under this commitment letter and the Security.

LEASES:

You have warranted to us that the Property is leased in accordance with the non-residential leases set out in Schedule "A" and on the terms and for the rents set out in Schedule "A" to this commitment letter and that no payment by anticipation was, or will be, accepted with respect to these leases and any future leases affecting the Property. You will provide executed copies of such leases and all future non-residential leases and all amendments and renewals, which must be upon terms acceptable to us. At the time of advance each tenant must be in possession of the whole of its leased premises, be carrying on business thereupon, be paying rent pursuant to the terms of the lease, and you and the tenant shall otherwise have performed all your respective obligations contained in the lease. You agree to advise us if any of the following occur with respect to any non-residential lease:

- (i) an event of default by either you or the tenant;
- (ii) bankruptcy or insolvency of the tenant;
- (iii) non-renewal;
- (iv) vacancy of the premises;
- (v) termination of the lease;
- (vi) a subletting of all or part of the premises; or
- (vii) any material adverse change.

We reserve the right to require that all present and future leases of the Property be postponed by way of a registered postponement agreement in our favour.

TAXES:

All realty taxes and local improvement assessments ("Taxes") pertaining to the Property are to be paid directly by you or your tenants to the municipality when due and you shall provide us with receipted copies of the Tax bills for the Property or other evidence of payment of Taxes satisfactory to us within 30 days of their due dates. If at any time you do not pay any Taxes when due or fail to provide us with copies of receipted Tax bills or other satisfactory evidence of payment, we may pay these Taxes and you shall repay to us, on demand, any amount so paid. Any amount paid by us and remaining unpaid by you shall bear interest at the rate set out herein. We may at our option at any time require that you pay to us in monthly instalments on the dates on which the monthly payments on the Loan are payable hereunder, sums, which in our estimation, will be sufficient to enable us to pay the whole amount of Taxes due, on or before the date for payment thereof or, if such amount of Taxes is payable in instalments, on or before the due date for payment of the first instalment thereof. Any deficiency in your tax escrow account, at any time, shall be payable to us immediately upon demand.

INSURANCE:

You will maintain at all times the following insurance with respect to the Property:

- (a) all risk property insurance on a replacement cost basis (including earthquake and flood coverage) with the Lender as mortgagee;
- (b) boiler and machinery insurance for not less than the full replacement cost of such boilers, pressure vessels and other insurable objects;
- (c) business interruption or rental loss insurance for an indemnity period of not less than 12 months and with coverage of not less than 100% of the resulting loss of rent or other revenue received from the operation of the building situate on the Property; and
- (d) general liability (including cross liability and severability of interests clauses) insurance in an amount of not less than \$2,000,000 with the Lender as additional insured.

If the Property includes condominium/strata unit(s), the insurance referred to in paragraph (a) above will be obtained in respect of all fixtures, improvements and betterments owned by you within such condominium/strata unit(s) provided such fixtures, improvements and betterments are not insured by the condominium/strata corporation under a master insurance policy for the condominium/strata building. You will advise the condominium/strata corporation of our interest in the Property. You will also seek compliance by the condominium/strata corporation with all insurance requirements contained in the documents or statute that created the condominium/strata corporation.

The insurance policy(ies) will be:

- (a) endorsed to provide the Lender with 30 days' prior written notice of cancellation, expiration or termination (for non-renewal or otherwise);
- (b) maintained with insurers licensed to do business in Canada rated at least "A-minus" by AM Best or Standard and Poors;
- (c) endorsed to provide the Lender with a revised certificate of insurance immediately upon renewal of or any amendment to the policy(ies).

If you fail to comply with the insurance obligations herein, we may take out the insurance we deem adequate, and you shall pay to us, on demand, all sums we paid for that purpose plus accrued interest up to the reimbursement date at the rate payable under the commitment letter.

In the event of a loss, you shall immediately advise us and shall not undertake any repairs or renovations without our consent. We reserve the right to apply any insurance proceeds against the Loan, whether due or not, or to the full or partial payment of the reconstruction of the improvements erected on the Property, without reducing, in either case, our rights hereunder.

**ENVIRONMENTAL
PROVISIONS:**

You represent to us that:

- (a) no environmental hazard, or circumstances which might give rise to an environmental hazard, exists on the Property or, to the best of your knowledge, on any adjacent land;
- (b) no claim, complaint or notice of any action or proceeding of any kind has been made or issued relating to an environmental hazard on the Property; and
- (c) the Property is being used in compliance with all applicable statutes, regulations, orders and by-laws relating to the protection of the environment.

You agree to give us immediate written notice of any change in circumstances, which would make any of the foregoing representations untrue or materially affect our Security.

You covenant and agree that you will:

- (a) not create, nor allow anyone else to create, any environmental hazards on the Property;
- (b) take appropriate remedial action with respect to any violation of any applicable statute, regulation, order or by-law relating to the protection of the environment;
- (c) permit us at any time to conduct an environmental investigation in respect of the Property and will provide us with all information about the Property required by us from time to time to determine compliance with these environmental provisions; and

- (d) defend and indemnify us and our directors, officers, employees and agents against all liabilities, costs or damages arising out of any hazards caused by use of the Property by anyone or by contamination of or from the Property.

COSTS AND FEES:

Whether or not the transaction contemplated hereby is completed, you will pay all costs incurred by us in connection with this commitment letter and the Loan and Security including, without limitation, the legal fees and disbursements of our solicitors, and the fees and disbursements of our agents or consultants. Such costs may be deducted from the Loan proceeds advanced. In addition, you agree to pay all costs, charges and expenses incurred by us in connection with the operation or enforcement of this commitment letter, the Loan or the Security, or any amendment, extension, variation, discharge or renewal thereof, including, without limitation, costs of registration of financing statements or financing change statements and searches in connection therewith, periodic property inspections and Tax verifications and other similar costs, and any fees or charges of agents or other third parties retained by us for the purpose of conducting such activities on our behalf. In addition, you agree to pay our administration fees in connection with our administration of the Loan, including the provision of mortgage statements, provision of discharges, processing late payments and cheques or automatic debits which are dishonoured or not accepted by the financial institution, the amount of each such administration fee being a liquidated amount to cover administrative costs of the Lender and not a penalty. If you fail to pay any such costs, charges or expenses upon demand, the amount of the cost, charge or expense will be added to the outstanding principal amount of the Loan and shall be secured by the Security.

APPLICATION FEE:

A fee of \$2,125.00 is payable at or before the time indicated in the section of this letter entitled "Acceptance". This fee is non-refundable and shall be earned by us as compensation for costs incurred including time expended in processing, approving and providing the Loan, but excluding costs and fees referred to in the paragraph above. We acknowledge that you have paid \$2,125.00 in respect of this fee.

**CONDITIONS
PRECEDENT TO
ADVANCE:**

Our obligation to advance the Loan is conditional upon receipt by us or our solicitors of the following, all in form and substance satisfactory to us or our solicitors:

- (a) a duly executed copy of this commitment letter, on or before the time indicated in the Section of this commitment letter entitled "Acceptance";
- (b) duly executed copies of the Security;
- (c) certificate of insurance coverage pursuant to policies required under the terms hereof, to be delivered to our solicitors at least 10 days prior to the advance of funds;
- (d) evidence of compliance with all applicable laws, by-laws and governmental and municipal regulations, orders or requirements including, without limitation, those dealing with planning, zoning, use, occupancy, environmental matters or fire including, without limitation, all requirements under any applicable fire retrofit provisions, and that there are no outstanding work orders, deficiency notices or like violations outstanding against the Property. If the buildings or improvements situate on the Property were constructed or substantially renovated within 12 months prior to the date of this commitment letter, we require evidence that the buildings and improvements situate on the Property may be lawfully occupied, which evidence shall include an occupancy permit, if applicable;
- (e) such directors' resolutions, opinions of counsel to the Lender and the Borrower, evidences of registration and other documentation and information which may reasonably be required by us;
- (f) evidence of payment of Taxes due and owing in respect of the Property;

- (g) an estoppel/status certificate from the condominium/strata corporation in respect of each unit forming part of the Property; and
- (h) any other information and documentation as we may reasonably request.

**RIGHT OF
TERMINATION:**

We shall have the right to terminate our agreement to provide the Loan to you and be relieved of all obligations in connection with the Loan in the event any of the following events should occur prior to the time of the advance (or any final advance) of the Loan hereunder:

- (a) you fail or are unable or are unwilling for any reason whatsoever to comply with any of the terms and conditions set out in this commitment letter within the time indicated for such compliance;
- (b) you fail or refuse to execute any documentation required by this commitment letter or requested by us or our solicitors or to deliver such documentation to our solicitors;
- (c) the Mortgage has not been registered on or before January 5, 2022;
- (d) you refuse to accept any funds when advanced;
- (e) you or any guarantor shall become bankrupt, or subject to proceedings under the Companies' Creditors Arrangement Act, or subject to bankruptcy, receivership or insolvency proceedings;
- (f) there has been in our sole opinion a material adverse change in your financial condition or the condition of the Property or in the actual or anticipated revenues from the Property from the amounts set out in Schedule "A" hereto, or a lease referenced in Schedule "A" has been amended or terminated without our prior written consent, or any event has occurred that could reasonably be expected to result in any of the foregoing;
- (g) we are advised of or are made aware that any construction material containing asbestos has been used or will be used in the Property or there are PCB's or other contaminants or hazardous materials on the Property;
- (h) you have not complied with all the provisions of the applicable provincial construction/builders/mechanics lien legislation to the satisfaction of our solicitors, or if the Property is in Québec, you have not paid a person who has the right to benefit from a legal hypothec relating to the construction or renovation of the Property, or First American Title Insurance Company, or Stewart Title Guaranty Company cannot provide a title Insurance policy in respect of any such liens;
- (i) the net proceeds of the Loan have not been fully advanced on or before January 5, 2022. We require 3 business days prior written notice to advance funds from the date that all conditions Precedent to Advance have been fulfilled;
- (j) any representation made by you in this commitment letter is not true and accurate as of the date of advance; or
- (k) our solicitors, acting reasonably, are not satisfied with the matters set out in the Section of this commitment letter entitled "Title".

If, in accordance with the foregoing, we elect to terminate our agreement to provide the Loan to you prior to the advance of the entire Loan amount, the amount advanced on the Loan, if any, together with interest thereon at the rate set out herein shall become immediately due and payable and we shall, whether or not any amount has been advanced on the Loan, and without prejudice to our right to recover from you all costs and fees incurred by us, be entitled to retain the application fee as compensation for any

and all damages sustained by us, it being agreed that the amount of such application fee is a fair estimate of the damages which will be suffered by us in such event.

**LIFE AND
DISABILITY
INSURANCE:**

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the Insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

Please note: If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

**EVENTS OF
DEFAULT:**

The Mortgage will detail the events of default that will give us the right to demand you repay all outstanding amounts. You should review the Mortgage in detail to ensure you are aware of your obligations. In addition, if you fail to comply with the terms and conditions of this commitment letter such failure shall constitute an event of default under the Mortgage.

MORTGAGE RATE:

For registration purposes only, the Mortgage will provide for an interest rate of 18.0% per annum, calculated semi-annually, not in advance, and the payment terms of the Mortgage will be based on that rate.

Notwithstanding the foregoing or any other provisions of this letter or the Security, the actual interest rate and payment terms applicable to the Loan during the term will be determined in accordance with the sections of this letter entitled "Interest Rate and Term" and "Repayment".

SCHEDULES:

The attached schedules are incorporated into this commitment letter by reference and form a part hereof.

ASSIGNMENT:

You and any guarantors cannot assign any of your rights or obligations under this commitment letter or the Loan to a third party. You agree that we may transfer and assign, without your consent and without notice to you, our rights and obligations under this commitment letter, the Loan, the Security and any related documentation (the "Mortgage Loan and Security") to any affiliate or other third party. We may also syndicate, securitize or grant participation interests in the Mortgage Loan and Security, without your consent or notice to you. You agree that we may disclose confidential information relating to the Mortgage Loan and Security, including any financial information provided by you or any guarantor at any time or otherwise relating you, or any guarantor, or to the Property and any plans, drawings or other documentation or information regarding the Property, to any associate or third party in connection with any of the transactions contemplated in this section.

TIME:

Time is of the essence hereof.

AMENDMENT: This commitment letter shall only be amended by agreement in writing executed by all the parties hereto.

WAIVER: Any failure by us to exercise any rights or remedies under this commitment letter or under any of the Security shall not constitute a waiver of our rights or remedies.

GOVERNING LAW: The agreement constituted by your acceptance of this commitment letter shall be governed by the laws of the province in which the Property is situated.

SURVIVAL: The terms and conditions of this commitment letter shall, after acceptance by you, survive the execution and registration of all Security and there shall be no merger of these provisions or conditions in the Mortgage or other security; provided that in the event of any conflict between the provisions of this commitment letter and the Mortgage, the provisions of the Mortgage shall prevail to the extent necessary to remove such conflict, except in respect of a conflict relating to the interest rate applicable to the Loan and the repayment of the Loan in which case this commitment letter shall prevail.

JOINT AND SEVERAL: Where more than one person is liable as Borrower or as a guarantor or otherwise for any obligation under or pursuant to this commitment letter, then the liability of each such person for such obligation is joint and several (in Quebec solidary) with each other such person.

E-MAIL AND FAX TRANSMISSION: The Lender is entitled to rely on any agreement, document, instrument, report or certificate provided to the Lender by the Borrower or any Guarantor by way of e-mail or fax transmission as though it were an originally signed agreement, document, instrument, report or certificate. The Lender is further entitled to assume that any communication from the Borrower or any Guarantor received by e-mail or fax transmission is a reliable communication from the Borrower or Guarantor.

ELECTRONIC IMAGING The parties hereto agree that, at any time, the Lender may convert paper records of this commitment letter and all other documentation delivered to the Lender (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Lender's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

ACCEPTANCE: The terms of this commitment letter are open for acceptance by you and all guarantors by executing the original of this commitment letter where indicated below and returning the original of the commitment letter, to our office at 10111 104 Avenue NW, Suite 2430, Edmonton, AB, T5J 0J4, Attention: Nell Van Teeling, on or before 2:00 p.m. E.S.T. on December 5, 2021 after which date and time this commitment letter shall lapse and be of no further force or effect, unless it is extended by the Lender in its sole discretion.

USE OF LOAN PROCEEDS BY BORROWER The Borrower covenants and agrees with the Lender that the Borrower will not use the proceeds of the Loan for the benefit or on behalf of any Person other than the Borrower. "Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association and any other incorporated or unincorporated entity.

LANGUAGE:

The parties acknowledge that they have requested that the present agreement, as well as all notices and communications contemplated hereby, be drafted in the English language.

Les parties aux présentes reconnaissent qu'elles ont demandé que la présente convention ainsi que tous avis et communications en résultant soient rédigés dans la langue anglaise.

Yours very truly,

Royal Bank of Canada



Mike Cussen
Vice President, Business Credit
/sam

ACCEPTED on Nov, 8, 2021

The undersigned borrowers have read, understand and accept the terms and conditions of this commitment letter and acknowledge receiving a copy of it, including Schedule "A".

1654286 ALBERTA LTD.

By: KAPIL SHARMA

By: _____

Title: Owner

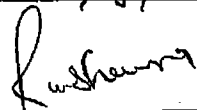
Title: _____

I / We have the authority to bind the Corporation.

The undersigned guarantors have read, understand and accept the terms and conditions of this commitment letter and acknowledge receiving a copy of it, including Schedule "A". Each of the guarantors authorizes the Borrower to provide, and the Lender to obtain, all information relating to each such guarantor referred to in the "Reports/Financial Information" clause.

Signed on Nov, 8, 2021

WITNESS:




KAPIL SHARMA

REALTY TAX INFORMATION

(to be completed by the Borrower)

Amount of Realty Taxes for the year ended December 31, 2020 \$ 22228 *

Amount of Realty Taxes billed for the 9 months ended September 30, 2021 \$ 20490 *

*Please attach a copy of the relevant tax bill(s).

Please Initial preferred option:

Option 1:

The Borrower will not retain separate legal representation for this transaction. The Borrower understands that the Lender will retain the solicitor referenced herein who will act on behalf of both the Lender and the Borrower. The solicitor will obtain a title insurance policy for the benefit of the Lender only. The Borrower agrees that it will pay all legal fees and disbursements relating to this transaction including the cost of the title insurance policy.

Borrower's Initials	Guarantor's Initials

Option 2:

The Borrower will retain its own legal representation for this transaction. The Borrower agrees that it will pay all legal fees and disbursements charged by both its solicitor and the Lender's solicitor in connection with this transaction.

Borrower's Initials	Guarantor's Initials
	

If you have selected Option 2, please complete:

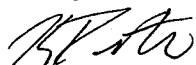
My solicitor in this transaction will be:

Firm:	SHOURIE BHATIA LLP
Attention:	ARUN SHOURIE
Address:	2920 Calgary Trail NW Edmonton AB T2G 8
Phone number:	780-438-5281
Fax number:	780-438-5296
E-mail address:	info@sh-llp.com

SCHEDULE "A"
(Non-Residential)
(To be completed by the Borrower)

<u>Name of Lessee</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Monthly Base Rent</u>	<u>Proportionate Share of Monthly Operating Costs</u>
2245062 Albert Rd.	1 st Mar 2020	8 yrs	\$ 7170	\$ 2830.

This is Exhibit "D" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.



SITE SPECIFIC SECURITY AGREEMENT**1. SECURITY INTEREST**

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** (the "Lender"), having a place of business at 36 York Mills Road, 4th Floor, Toronto, Ontario, M2P 0A4, a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property consisting of all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) now or hereafter situate on, used in connection with or arising from the business or affairs carried on, at or about the real property located at or about **9266 34 Avenue NW, Edmonton, Alberta T6E 2P2** and legally described in Schedule "C" attached hereto (the "Mortgaged Property") and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and as further general and continuing security for the Debtor's indebtedness to the Lender the Debtor hereby assigns the Collateral to the Lender and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to the Lender. The Security Interest hereby created shall include such assignment, mortgage and charge. Without limiting the generality of the foregoing, the Collateral includes all of the following now owned or hereafter owned or acquired by or on behalf of Debtor now or hereafter situate on, used in connection with or arising from the business or affairs carried on at the Mortgaged Property or the business or operations of the Debtor related to the Mortgaged Property:

- (i) all Inventory of whatever kind;
- (ii) all equipment (other than Inventory) of whatever kind, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents or Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (v) all lists, records and files relating to Debtor's customers, clients and patients; and
- (vi) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term in the course of the enforcement of the said Security Interest; nor shall the Security Interest render the Lender liable to observe or perform any term, covenant or condition of any agreement, documents or instrument to which the Debtor is a party or by which it is bound.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when

used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A.. Any reference herein to "collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

(d) The Debtor and the Lender acknowledge and agree that the Security Interest is taken over all of the Debtor's present and after acquired personal property except: (i) Goods not ordinarily located on the Mortgaged Property; and (ii) Accounts, Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities not used in connection with, or not arising from, the Mortgaged Property or the business or affairs carried on at the Mortgaged Property.

2. INDEBTEDNESS SECURED

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

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

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

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by the Lender, prior to their creation or assumption;

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

(c) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations;

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

(e) None of the Collateral in existence on the date hereof (i) is incapable of being assigned or otherwise secured in favour of the Lender in accordance with the provisions of this Security Agreement; (ii) is incapable of further assignment or security granted by the Lender or by any Receiver

(as that term is defined in section 13(b) herein) after default; or (iii) requires the consent of any third party to the security interest granted hereby, except for any consent that has already been obtained. The Debtor covenants with the Lender that no Collateral will be hereafter obtained or agreed to by the Debtor which is not secured in favour of the Lender in accordance with the provisions hereof or which requires the consent of any third party to any such security.

4. COVENANTS OF THE DEBTOR

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

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

(b) to notify the Lender promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

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

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

(f) to insure Collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as the Lender may from time to time direct, with loss payable to the Lender and Debtor, as insured, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to the Lender on request;

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

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and

complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;

- (i) to deliver to the Lender from time to time promptly upon request:
 - (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
 - (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
 - (iv) all policies and certificates of insurance relating to Collateral, and
 - (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as the Lender may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

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

6. SECURITIES

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

7. COLLECTION OF DEBTS

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

Debtor authorizes the Lender to take such action or proceedings in Debtor's name and at Debtor's expense as may be necessary to collect and recover any rents.

8. INCOME FROM AND INTEREST ON COLLATERAL

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

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

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes the Lender:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to the Lender to be held by the Lender as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by the Lender pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and the Lender;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make

a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Lender at or prior to the time of such execution.

12. ACCELERATION

The Lender, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if the Lender considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, the Security Interest granted hereby will at the option of the Lender in its sole discretion become immediately enforceable.

(b) Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not the Lender, and the Lender shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow Money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by the Lender, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

(c) Upon default, the Lender may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (b).

(d) The Lender may take possession of, collect, demand, sue on, enforce, recover and

receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Lender may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender may seem reasonable.

(e) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.

(f) Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(g) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(h) The Lender will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A.

(i) Debtor appoints any officer or director or branch manager of the Lender upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign or transfer, and to record any assignment or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes the Lender to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as the Lender may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of a branch of the Lender, in the province in which the Mortgaged Property is situate, the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of the Lender, whenever Indebtedness is immediately due and payable or the Lender has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Lender may, in its sole discretion, set off against Indebtedness

any and all amounts then owed to Debtor by the Lender in any capacity, whether or not due, and the Lender shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Lender's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either Debtor's or the Lender's name, at the Lender's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which Debtor is in any way liable and, subject to Clause 13(h) hereof, notice of any other action taken by the Lender.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against the Lender. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) The Lender may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Lender or any one acting on behalf of the Lender.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(h) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of the Lender, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to the Lender. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in

substitution for any other security now or hereafter held by the Lender and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the place of business of the Lender mentioned in section 1(a) shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by the Lender, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to the Lender.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

- (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
- (ii) shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with the Lender that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of Alberta, as those laws may from time to time be in effect, including where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

- (a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by the Lender or of any verification statement with respect to any financing statement or financing change statement registered by the Lender. (Applies in all P.P.S.A. Provinces except Ontario).

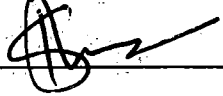
16. Debtor represents and warrants that the following information is accurate:

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR 1654286 Alberta Ltd.			
ADDRESS OF BUSINESS DEBTOR 216 Lindsay Crescent NW	CITY Edmonton	PROVINCE Alberta	POSTAL CODE T6R 2T2

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 7 day of ^{January}~~November~~, 2022.

1654286 Alberta Ltd.

By: 

By: _____

Title: _____

Title: _____

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

1. Locations of Debtor's Business Operations

•

9266 34 Avenue, Edmonton, AB, T6E 2P2

2. Locations of Records relating to Collateral (if different from 1. above)

•

Same as above

3. Locations of Collateral (if different from 1. above)

•

Same as above

SCHEDULE "C"

CONDOMINIUM PLAN 0424262

UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

ASSIGNMENT OF RENTS

THIS INDENTURE made this 7 day of ^{January} ~~November~~, ²⁰²² ~~2021~~

BETWEEN:

1654286 ALBERTA LTD.
hereinafter called the "Assignor"

OF THE FIRST PART,

and

ROYAL BANK OF CANADA
hereinafter called the "Assignee"

OF THE SECOND PART.

WHEREAS, by a Mortgage dated the 7 day of ^{January} ~~November~~, ²⁰²² ~~2021~~, the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed which Mortgage secures payment of the sum of EIGHT HUNDRED TEN THOUSAND (\$810,000.00) DOLLARS and interest as therein mentioned and which Mortgage is hereinafter referred to as "the Mortgage". Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable and/or intended to be reserved and payable under, and all advantages and benefits to be derived from, leases of premises erected on the lands and premises more particularly described in Schedule "A" hereto (the "Leases") now or hereafter entered into by the Assignor as landlord with tenants thereof (Lessees) and including without limitation the specific leases referred to in Schedule "B" hereto annexed, as additional security for the payment of the money secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Indenture contained, the Assignee is not to be bound to advance the said mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS INDENTURE WITNESSETH that the Assignor in consideration of the premises, the making of the said Mortgage, and the sum of One (\$1.00) Dollar now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), doth covenant and agree with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all rents reserved and payable under the Leases (including without limitation the specific leases referred to in Schedule "B" hereto annexed) and all benefits and advantages to be derived therefrom, to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee, permit any prepayment of rents payable under any of the Leases that will result in more than two months' of such rents being prepaid under such Leases, or variation, cancellation or surrender of any of the Leases, or of the terms, covenants, provisos or conditions thereof.
3. The Assignor covenants with the Assignee to perform and observe all the covenants, conditions and obligations binding upon it under the Leases.
4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment and/or for enforcing anything in this Indenture herein contained in any or all of the following ways:

(a) in its own name;

(b) in the name of the Assignor, and

(c) in the names of both the Assignor and the Assignee jointly.

5. The Assignor agrees to assign any of the said Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.

6. PROVIDED, however, that until notified to the contrary in writing the Lessees shall pay the rent reserved under the Leases, (but only to the extent that the same may be due and payable under the Leases) to the said Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Lessee at its premises on the lands and premises described in Schedule "A" hereto or by delivering the same personally to any Lessee, or an officer of such Lessee.

7. The Assignor does hereby declare that any direction or request from the Assignee to pay the rents reserved to the Assignee shall be sufficient warrant and authority to the said Lessee to make such payments, and the payments of the said rentals to the Assignee shall be and operate as a discharge of the said rents to the said Lessee.

8. The Assignor covenants and agrees with the Assignee not to renew nor extend any of the Leases at rentals reserved and payable of lesser amounts than are now reserved and payable under such Leases unless compelled to do so as the result of an Arbitration Award, or with the consent of the Assignee.

9. The Assignee covenants and agrees with the Assignor to release this Assignment of Rents upon payment in full of the Mortgage in accordance with the terms thereof and that the Assignee will, at the request and cost of the Assignor, reassign any unmatured rents to the Assignor. In the absence of such a request the delivery to the Assignor of a discharge or cessation of the Mortgage shall operate as a release and reassignment of such rents.

10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

11. PROVIDED that nothing in this Indenture contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Lessees contained in any of the said Leases, and that the Assignee shall not by virtue of these presents be deemed a mortgagee in possession of the lands and premises described in Schedule "A" hereto and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of these presents.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

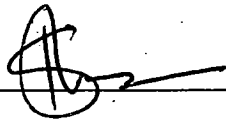
13. IT IS HEREBY DECLARED AND AGREED that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED

1654286 Alberta Ltd.

Per: _____



Per: _____



SCHEDULE "A"

Description of Property

CONDOMINIUM PLAN 0424262

UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

SCHEDULE "B"

LESSEE
REGISTRATION NO.

LEASE DATE
(MM/DD/YYYY)

EXPIRY DATE
(MM/DD/YYYY)

GUARANTEE OF MORTGAGE

WHEREAS:

A. Royal Bank of Canada (the "**Mortgagee**") has agreed or is about to advance to 1654286 Alberta Ltd. (the "**Mortgagor**") a loan up to the amount (for principal monies) of EIGHT HUNDRED TEN THOUSAND DOLLARS (\$810,000.00) (any such loan as advanced at any time or from time to time being hereinafter referred to as the "**Loan**" and the principal amount thereof being hereinafter referred to as the "**Principal Amount**");

B. The Mortgagor has agreed to pay interest on the Loan at a rate (the "**Mortgage Interest Rate**") equal to 18% per annum, calculated semi-annually not in advance;

C. It is intended that the Loan will be secured by a mortgage (such mortgage as hereinafter amended, extended, varied or otherwise modified being hereinafter referred to as the "**Mortgage**") covering certain lands and premises (the "**Mortgaged Premises**") being legally described as:

CONDOMINIUM PLAN 0424262

UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

D. It is a condition precedent of any advance of the Loan that the undersigned (hereinafter referred to as the "**Guarantor**", which expression, if there is more than one undersigned, shall include all of them jointly and each of them severally) enter into this Guarantee in favour of the Mortgagee.

NOW THEREFORE for valuable consideration (receipt of which is hereby acknowledged) and in compliance with the aforesaid condition precedent, the Guarantor and each of them (if more than one) hereby agrees as follows:

Each Guarantor hereby:

- (a) guarantees the payment on demand by the Mortgagor to the Mortgagee of all of the Principal Amount and other liabilities of the Mortgagor secured or payable under the Mortgage, present or future, direct or indirect, absolute or contingent, matured or not, including, without limitation, principal, interest, taxes, fees and expenses as and when the same are due and payable under the Mortgage (the "**Guaranteed Amounts**"), and
- (b) covenants and agrees to perform on demand all other covenants and obligations of the Mortgagor under the Mortgage as and when the same are required to be observed or performed under the Mortgage (the "**Guaranteed Covenants**"),

The obligations of the Mortgagor to pay the Guaranteed Amounts and perform and observe the Guaranteed Covenants are hereinafter collectively referred to as the "**Guaranteed Obligations**", and this guarantee is hereinafter referred to as the "**Guarantee**".

If there is more than one Guarantor, the obligations of the Guarantors under this Guarantee shall be joint and several and any reference herein to "the Guarantor" is to each and every such Guarantor.

If any monies or amounts expressed to be owing or payable under this Guarantee by the Guarantor are not recoverable from the Guarantor, or any of them, on the footing of a guarantee for any reason whatever, such monies or amounts may be recovered from the Guarantor, or any of them, as a primary obligor and principal debtor in respect of such monies or amounts, regardless of whether such monies or amounts are recoverable from the Mortgagor or would be payable by the Mortgagor to the Mortgagee. For greater certainty, but without restricting the generality of the foregoing, if the Mortgagee is prevented

or restricted from exercising its rights or remedies with respect to any of the Guaranteed Obligations, including, without limitation, the right of acceleration, the right to be paid interest at the Mortgage Interest Rate in respect of the Guaranteed Obligations or the right to enforce or exercise any other right or remedy with respect to the Guaranteed Obligations, the Guarantor agrees to pay the amount that would otherwise have been due and payable had the Mortgagee been permitted to exercise such rights and remedies in accordance with the terms agreed to between the Mortgagor and Mortgagee; provided, however, that the foregoing characterization of the liability of the Guarantor as that of a primary obligor and principal debtor is not intended and shall not be interpreted to confer on the Guarantor, or any of them, any right, benefit or advantage that the Guarantor would not otherwise have in the absence of such characterization.

Without giving notice to or obtaining the consent or concurrence of any Guarantor, the Mortgagee may:

- (a) grant any time, indulgences, waivers or extensions of time for payment of any of the Guaranteed Obligations;
- (b) grant any renewals or extensions of the Mortgage with or without a change in the Mortgage Interest Rate or in any other terms or conditions of the Mortgage and whether by express agreement signed by the Mortgagor or otherwise;
- (c) change the interest rate provided in the Mortgage, either during the initial term of the Mortgage or in any subsequent extension or renewal term, whether by way of increase, decrease, or change in the reference rate by which the interest rate is calculated or determined; change from a fixed rate to a variable or floating rate, or from a variable or floating rate to a fixed rate, or otherwise;
- (d) change the amortization of the Mortgage, whether by way of increase or decrease;
- (e) otherwise amend, supplement, modify, vary or otherwise change any of the terms or conditions of the Mortgage in any manner whatever;
- (f) release or discharge from the Mortgage the whole or any part of the Mortgaged Premises;
- (g) accept compositions, compromises or proposals from the Mortgagor or otherwise deal with the Mortgagor or any other person (including without limitation, the Guarantor or any other Guarantor of the Guaranteed Obligations), any security (including, without limitation, the Mortgage) or the Mortgaged Premises as the Mortgagee sees fit, including, without limitation, realizing on, releasing, accepting substitutions for or replacing any of the security for the Guaranteed Obligations;
- (h) release or discharge any Guarantor or one or more other co-covenantors or Guarantors or Mortgagors in respect of the Mortgage whether under this Guarantee or otherwise; or
- (i) release any subsequent legal or beneficial owner of the Mortgaged Premises from any liability for the Guaranteed Obligations, or any of them, or refrain from requiring any such owner to assume any such liability;

and none of the foregoing actions shall in any way lessen, limit or otherwise affect the obligations or liability of any Guarantor under this Guarantee, regardless of whether any such action has the effect of amending or varying the Mortgage or increasing, expanding or otherwise altering the nature, effect, term, extent or scope of the Guaranteed Obligations. The Guaranteed Obligations and the liability of each Guarantor under this Guarantee shall extend to and include the obligations of the Mortgagor under the Mortgage as so amended, renewed, extended, or varied and the Guaranteed Obligations as so increased, expanded or altered without further action on the part of the Mortgagee or the consent or concurrence of any Guarantor; and for greater certainty and without limiting the foregoing, if the interest rate provided in the Mortgage is increased or otherwise altered, the Guaranteed Obligations and the

liability of each Guarantor under this Guarantee shall be extended to and include the obligation of the Mortgagor to pay interest at such increased or altered rate.

The obligations of the Guarantor under this Guarantee shall be unaffected by:

- (a) any lack or limitation of status or power, disability, incapacity, death, dissolution or other circumstances relating to the Mortgagor, any Guarantor or any other party;
- (b) any irregularity, defect, unenforceability or invalidity in respect of the Mortgage or any indebtedness, liability or other obligation of the Mortgagor or any other party;
- (c) any release or discharge of the Guaranteed Obligations, except by reason of their irrevocable payment and satisfaction in full;
- (d) any judgment obtained against the Mortgagor, or the taking, enforcing, exercising or realizing on, or refusing or neglecting to take, enforce, exercise or realize on, or negligence in taking, enforcing, exercising or realizing on, any security (including without limitation any money on deposit and any guarantee) or any right or remedy, from or against the Mortgagor or any other party or their respective assets or releasing or discharging, or failing, refusing or neglecting to maintain, protect, renew or perfect, any security (including without limitation any money on deposit or any guarantee) or any right or remedy;
- (e) any change in the name, control, objects, business, assets, capital structure, or constitution of the Mortgagor or any Guarantor, or any merger or amalgamation of the Mortgagor or any Guarantor whether or not under the laws of a jurisdiction other than the jurisdiction under which the Mortgagor or Guarantor was originally formed, or any change in the membership of the Mortgagor or any Guarantor, if a partnership, through the death, retirement or introduction of one or more partners, or otherwise; and each reference to the "Mortgagor" or the "Guarantor" in this Guarantee will be deemed to include each corporation and each partnership resulting from any of the foregoing;
- (f) any law, regulation or decree now or hereafter in effect which might in any manner affect any of the terms or provisions of the Mortgage or this Guarantee, or the Mortgagor or any Guarantor;
- (g) any failure on the part of the Mortgagee to perfect, maintain or enforce its rights whether due to its default, negligence or otherwise on the part of the Mortgagee with respect to the Mortgage, or any other security granted to the Mortgagee relating to the Mortgage; and
- (h) any other circumstances whatsoever (with or without notice to or the knowledge of the Guarantor) which may or might in any manner or to any extent vary the risk of the Guarantor under this Guarantee, or might otherwise constitute a legal or equitable discharge of a surety or guarantor;

it being the purpose and intent of each Guarantor that the liabilities and obligations of each Guarantor under this Guarantee shall be absolute and unconditional under any and all circumstances.

Unless and until all Guaranteed Obligations have been irrevocably paid and satisfied in full and the Mortgagee shall have no further obligation to advance any further monies to the Mortgagor, the Guarantor shall not be subrogated to any of the rights or claims of the Mortgagee in respect of any of the Guaranteed Obligations, or under any security agreement or guarantee or other instrument which may at any time be held by or on behalf of the Mortgagee, and the Guarantor shall not seek any reimbursement from the Mortgagor.

The obligations of the Guarantor under this Guarantee shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment which would otherwise have reduced the obligations of the Guarantor or any of them under the Mortgage (whether such payment shall have been made by or on

behalf of the Mortgagor or the Guarantor or any of them) is rescinded, or is reclaimed from the Mortgagee, upon the insolvency, bankruptcy, liquidation, dissolution or reorganization of the Mortgagor or the Guarantor or any of them, or for any other reason.

The Mortgagee shall have no obligation to enforce any rights or remedies or security or guarantees or to take any other steps against the Mortgagor or any other party or any assets of the Mortgagor or any other party before being entitled to demand payment or performance by any Guarantor of its obligations under this Guarantee. Each Guarantor hereby waives all benefit of discussion and division.

Any Guarantor may, by notice in writing delivered to the Mortgagee at the address for service stated in the Mortgage, terminate the Guarantor's liability under this Guarantee with effect from and after the date (the "**Termination Date**") that is thirty (30) days following the date of such notice in respect of Guaranteed Obligations incurred or arising at any time on or after the Termination Date but not in respect of any Guaranteed Obligations incurred, arising or existing before the Termination Date, even though not then matured. Notwithstanding the foregoing, the Mortgagee may fulfill any requirements of the Mortgagor under the Mortgage or any advance of all or part of the Principal Amount requested by the Mortgagor prior to the receipt of such notice and any liabilities of the Mortgagor resulting from such fulfillment shall be added to the Guaranteed Obligations and shall be secured by the Mortgage and by this Guarantee. Termination of the liability of one or more of the Guarantors shall not affect the liability of any other Guarantor.

Each Guarantor shall indemnify and save harmless the Mortgagee from and against all losses, damages, costs and expenses which the Mortgagee may sustain, incur or become liable for by reason of:

- (a) the failure, for any reason whatever, of the Mortgagor to pay any amounts expressed to be payable pursuant to the provisions of the Mortgage, regardless of whether the Mortgagor's obligation to pay such amounts is valid or enforceable against the Mortgagor;
- (b) the failure, for any reason whatever, of the Mortgagor to perform any other obligation under the Mortgage; or
- (c) any act, action or proceeding of or by the Mortgagee for or in connection with the recovery of such amounts or the performance of such obligations.

Each Guarantor acknowledges that the Mortgagee may transfer or assign the Mortgage without notice to the Mortgagor or any Guarantor. Each Guarantor agrees that the Mortgagee may disclose to a third party any information relating to the Mortgage, including any financial information relating to the Mortgaged Premises, the Mortgagor or any Guarantor as may be required in order to effect the aforementioned transactions.

In the event that any Guarantor is a corporation, it shall provide to the Mortgagee audited financial statements within one hundred twenty (120) days after its fiscal year-ends for the duration of the term of this Mortgage. In the event that any Guarantor is an individual, he/she shall provide to the Mortgagee a statement of net worth, a copy of current tax returns and a copy of assessment notices received from Canada Customs and Revenue Agency (or a successor agency), in each case by May 30th of each year during the term of this Mortgage.

The "**Prime Rate of Royal Bank of Canada**" means the annual rate of interest announced from time to time by Royal Bank of Canada as being its reference rate then in effect for determining interest rates on Canadian dollar denominated commercial loans made by Royal Bank of Canada in Canada.

Each Guarantor acknowledges receipt of a copy of the Mortgage, including the Standard Form Mortgage Terms forming a part thereof.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Alberta.

This Guarantee shall be operative and binding upon every Guarantor hereto upon execution and delivery of this Guarantee by such Guarantor regardless of whether it has been executed by any other proposed Guarantor or Guarantors.

Executed at Edmonton, Alberta this 07 day of ^{JAN, 2022}~~November, 2021~~.

Witness

Kapil Sharma

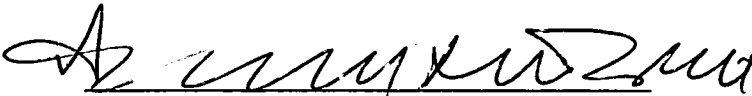
2022/03/24 2 11:45:54 AM

GUARANTEES ACKNOWLEDGEMENT ACT
Certificate of Notary Public

I hereby certify that:

1. KAPIL SHARMA, of the City of Edmonton, in the Province of Alberta, the guarantor in the guarantee dated JAN 07, 2022 made between KAPIL SHARMA and ROYAL BANK OF CANADA which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee; and
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at the City of Edmonton, in the Province of Alberta, this 07 day of January, 2022 under my hand and seal of office.

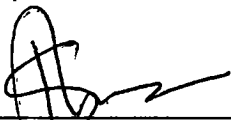


A Notary Public in and for the Province of Alberta

ARUN SHOURIE
Barrister & Solicitor
Notary Public
In and for Alberta

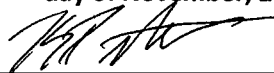
STATEMENT OF GUARANTOR

I am the person named in this Certificate.



KAPIL SHARMA

This is Exhibit "E" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

H.w

Search ID #: Z19172532

Transmitting Party

MCMILLAN LLP

1700, 421 - 7TH AVENUE SW
CALGARY, AB T2P 4K9

Party Code: 60001912
Phone #: 403 231 8378
Reference #: 320592

Search ID #: Z19172532

Date of Search: 2025-Sep-10

Time of Search: 13:07:37

Business Debtor Search For:

1654286 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z19172532

Business Debtor Search For:

1654286 ALBERTA LTD.

Search ID #: Z19172532

Date of Search: 2025-Sep-10

Time of Search: 13:07:37

Registration Number: 22012410424

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jan-24

Registration Status: Current

Expiry Date: 2032-Jan-24 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

Current

1 1654286 ALBERTA LTD.
216 LINDSAY CRESCENT NW
EDMONTON, AB T6R 2T2

Secured Party / Parties

Block

Status

Current

1 ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO, ON M2P 0A4
Email: torbscpr@rbc.com

Collateral: General

Block

Description

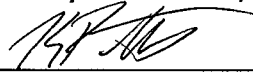
Status

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR OF WHATEVER KIND, TOGETHER WITH ALL DOCUMENTS, WRITINGS, PAPERS, BOOKS OF ACCOUNT AND RECORDS RELATING TO THE FOREGOING AND ALL RIGHTS AND INTERESTS THEREIN, PROVIDED THAT THE FOREGOING IS LIMITED TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY WITH RESPECT TO THE PROPERTY NOW OR HEREAFTER LOCATED AT, USED IN CONNECTION WITH, OR ARISING FROM OR IN RESPECT OF THE REAL PROPERTY MUNICIPALLY DESCRIBED AS 9266-34 AVENUE NW, EDMONTON, ALBERTA, T6E 2P2 AND LEGALLY DESCRIBED AS CONDOMINIUM PLAN 0424262, UNIT 6, AND 1218 UNDIVDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS (AND ANY OTHER LEGAL DESCRIPTIONS BY WHICH THE LANDS MAY BE DESCRIBED WHETHER BY SUBDIVISION, CONDOMINIUMIZATION, CONSOLIDATION OR OTHERWISE) OR WHICH IS NOW OR AT ANY TIME MAY BE ANNEXED TO, COMPRISED IN, PERTAINING OR RELATING TO OR USED IN CONNECTION WITH THE LANDS AND ALL ACCESSIONS THERETO AND SUBSTITUTIONS THEREFORE; THE DEBTOR'S INTEREST IN ANY PRESENT OR HEREAFTER ACQUIRED RENTS, BOOK DEBTS AND SECURITY DEPOSITS RELATING TO THE LANDS.

Search ID #: Z19172532

Result Complete

This is Exhibit "F" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

H.W.

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

COMMERCIAL MORTGAGE
LAND TITLES ACT (ALBERTA)

1.	NAME AND ADDRESS OF MORTGAGOR (THE "MORTGAGOR") 1654286 Alberta Ltd. of 5043 McLuhan Road, Edmonton, Alberta, T6R 0J4
2.	NAME AND ADDRESS OF ANY CORPORATE GUARANTOR (THE "GUARANTOR") (if applicable)
3.	MAXIMUM PRINCIPAL AMOUNT FOR WHICH GUARANTOR IS LIABLE (if applicable). (If not completed, the Guarantor shall be liable for the full amount as indicated in the Guarantee provisions of the Mortgage.)
4.	NAME AND ADDRESS OF MORTGAGEE (THE "MORTGAGEE") Royal Bank of Canada, 36 York Mills Road, 4 th Floor, Toronto Ontario M2P 0A4
5.	LEGAL DESCRIPTION OF LANDS (THE "LANDS") CONDOMINIUM PLAN 0424262 UNIT 6 AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS
6.	PAYMENT PROVISIONS
(a)	Principal Amount: \$810,000.00
(b)	Mortgage Interest Rate (delete inapplicable options): (i) if fixed rate of interest: 18.0 % per annum, calculated semi-annually not in advance
(c)	Interest Adjustment Date: December 1, 2021
(d)	Instalment Date: first day of each and every month in each and every year until the Maturity Date

(e)	First Instalment Date: January 2, 2022
(f)	Maturity Date: December 1, 2024
(g)	Instalment Amount (delete inapplicable option): (i) if fixed rate of interest or variable rate of interest with blended payments (to include principal and interest): \$11,877.68
7.	STANDARD MORTGAGE TERMS This Mortgage consists of the Mortgagee's set of Standard Form Mortgage Terms ("SMT") filed at the South Alberta Land Registration District as Instrument number 031 040 055 and at the North Alberta Land Registration District as Instrument number 032 043 007 together with all schedules thereto and is subject to the terms contained in the SMT as varied by any deletions from, or amendments or additions to the terms of the SMT as set out herein.
8.	DELETED, AMENDED OR ADDED TERMS See Schedule "A" (if any).
9.	ACKNOWLEDGEMENTS The Mortgagor hereby acknowledges as follows: (a) That the Mortgagor understands the nature of the SMT referred to in clause 7 above and the statements made in the said clause; (b) That the Mortgagor has been given a copy of the SMT; (c) That the Mortgagor is the registered owner of the Mortgaged Premises; and (d) For the better securing to the Mortgagee of the repayment in the manner set out in this Mortgage of the Principal Amount and interest and all other indebtedness and obligations of the Mortgagor secured by this Mortgage, the Mortgagor hereby mortgages and charges to the Mortgagee all the Mortgagor's estate and interest in the Mortgaged Premises. The Guarantor hereby acknowledges that the Guarantor has been given a copy of the SMT.
10.	EXECUTION BY MORTGAGOR The Mortgagor has executed this Mortgage on <u>January 7</u> , 2022.

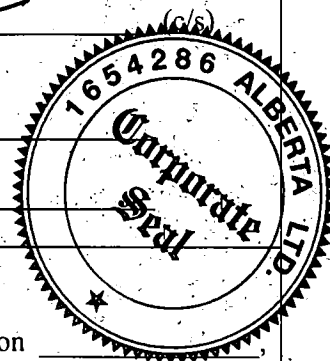
1654286 Alberta Ltd.

Witness

Per: _____

Per: _____

Per: _____



11. EXECUTION BY CORPORATE GUARANTOR

The Guarantor has executed the Guarantee contained in this Mortgage on _____
2021.

Witness_____
Per: _____

(c/s)

Per: _____

12.

I, _____, of the _____ of _____,
in the Province of Alberta, _____, (occupation) make oath and say:

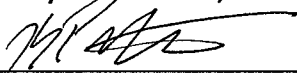
- (a) THAT I was personally present and did see _____, named in the within instrument, who is personally known to me to be the person(s) named therein, duly sign, seal and execute the same for the purposes named therein.
- (b) THAT the same was executed at the _____ of _____, in the _____ of _____ and that I am a subscribing witness thereto.
- (c) THAT I know the said person and she is in my belief of the full age of eighteen years.

Sworn before me at _____, in)
the Province of Alberta, this ____ day of)
_____, 2021.)

A Commissioner for Oaths in and for the Province
of Alberta.

Signature of Witness

This is Exhibit "G" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

H.W.

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

032043007

ORDER NUMBER: 24644987

ADVISORY

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Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.



FORM _____

(Rev. Jan-03)

(Alberta)

**ALBERTA
SET OF STANDARD FORM
MORTGAGE TERMS
CONVENTIONAL AND INSURED COMMERCIAL MORTGAGE**

Registration No. North _____ Dated _____, 2003

Registration No. South _____ Dated _____, 2003

The following set of standard form mortgage terms shall be deemed to be included in every mortgage in which it is referred to by its filing number, except to the extent that the provisions of this set of standard form mortgage terms are varied by any deletions from or amendments or additions to the terms thereof by the Schedule (as defined herein).

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1. DEFINITIONS

Capitalized terms used herein shall, unless otherwise defined herein, have the meaning ascribed thereto in the Schedule (as defined herein).

"Condominium Corporation" means the condominium corporation created by the registration pursuant to the *Condominium Property Act* of a condominium plan in which a portion of the lands described in the condominium plan are the Mortgaged Premises.

"Deferred Interest" means, in the case of a variable rate mortgage, the amount by which (a) the interest that has accrued on the portion of the Principal Amount then outstanding from one payment date under this Mortgage to the next payment date under this Mortgage exceeds (b) the Instalment Amount or such other amount as may be agreed to between the Mortgagee and the Mortgagor from time to time.

"First Instalment Date" means that date described as the First Instalment Date in the Schedule.

"Guarantor" means the party described as the Guarantor in the Schedule.

"Instalment Amount" means that amount described as the Instalment Amount in the Schedule or such other amount as may be agreed upon by the Mortgagor and Mortgagee from time to time as the regular instalment to be paid under this Mortgage.

"Instalment Dates" means those dates described as the Instalment Dates in the Schedule.

"Interest Adjustment Date" means that date described as the Interest Adjustment Date in the Schedule.

"Lands" means those lands and premises described as the Lands in the Schedule.

"Maturity Date" means that date described as the Maturity Date in the Schedule.

"Mortgage" means the commercial mortgage in which this set of standard form mortgage terms is deemed to be included pursuant to the *Land Titles Act* and includes any schedules attached to it, any additional provisions contained in it, any renewals or extensions thereof, and any amendments thereto, and includes this set of standard form mortgage terms.

"Mortgage Interest Rate" means that rate described as the Mortgage Interest Rate in the Schedule.

"Mortgagee" means the party described as the Mortgagee in the Schedule.

"Mortgagor" means the party described as the Mortgagor in the Schedule.

"Prime Rate" means the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

"Principal Amount" means that amount described as the Principal Amount in the Schedule.

"Schedule" means that form of commercial mortgage which is executed by the Mortgagor and Guarantor, if applicable, and which references this set of standard form mortgage terms and includes any schedules or additional provisions attached thereto.

"Term" means the time period from the Interest Adjustment Date to the Maturity Date.

2. **MORTGAGE LOAN**

In consideration of the Principal Amount paid by Mortgagee to the Mortgagor (the receipt whereof is hereby acknowledged), and upon execution and delivery of the Schedule, the Mortgagor does grant and mortgage unto the Mortgagee the Lands TOGETHER WITH all buildings and erections thereon and every right, privilege, easement, advantage and appurtenance belonging to the same or in any way appertaining thereto (hereinafter called the "Mortgaged Premises"), TO HAVE AND TO HOLD the Mortgaged Premises UNTO AND TO USE OF the Mortgagee, its successors and assigns, upon the terms and conditions set out herein and in the Schedule.

3. **INTEREST RATE**

(a) **Fixed Rate Mortgages**

If the Schedule indicates that the Mortgage Interest Rate is a fixed rate of interest, then the amount of principal money advanced on this Mortgage is the Principal Amount and the rate of interest chargeable thereon is the Mortgage Interest Rate, calculated half-yearly not in advance, as well after as before maturity of this Mortgage, and both before and after default and judgment, until paid.

(b) **Variable Rate Mortgages**

If the Schedule indicates that the Mortgage Interest Rate is a variable rate of interest, then the amount of principal money advanced on this Mortgage is the Principal Amount and the rate of interest chargeable thereon is the Mortgage Interest Rate, payable monthly and calculated monthly not in advance, as well after as before maturity of this Mortgage, and both before and after default and judgment, until paid. For variable rate mortgages, the Mortgage Interest Rate will vary automatically, without notice to the Mortgagor, each time there is a change in the Prime Rate. The Mortgage Interest Rate will always be the Prime Rate plus the margin set out in the Schedule, payable monthly and calculated monthly not in advance.

In the event that it may be necessary at any time for the Mortgagee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Mortgagee setting forth the Prime Rate as at any time or times shall be deemed to be conclusive evidence as to the Prime Rate.

4. **REPAYMENT**

(a) **Fixed Rate Mortgages and Variable Rate Mortgages with Blended Payments**

If the Schedule indicates that the Mortgage Interest Rate is a fixed rate of interest, or if it indicates that the Mortgage Interest Rate is a variable rate of interest but blended payments are applicable, then the Mortgagor shall pay to the Mortgagee at the office or branch of the Mortgagee to be designated from time to time, in lawful money of Canada:

- (i) the Principal Amount with interest thereon at the Mortgage Interest Rate calculated as aforesaid, until paid, as follows:
 - A. interest at the Mortgage Interest Rate on the portion of the Principal Amount from time to time advanced, computed from the respective dates of such advances until the Interest Adjustment Date, shall become due and payable and be paid on the Interest Adjustment Date. The Mortgagee may require the payment of interest at the Mortgage Interest Rate on the portion of the Principal Amount advanced from time to time, computed from the respective dates of such advances, to become due and payable and be paid in monthly instalments on the same day of the month next following the first advance, and on the same day of each and every month thereafter and the balance, if any, of the aforesaid interest on the Principal Amount advanced shall become due and payable and be paid on the Interest Adjustment Date. At the option of the Mortgagee, interest so due and payable may be deducted from such advances; and
 - B. thereafter, the Principal Amount, together with interest at the Mortgage Interest Rate, computed from the Interest Adjustment Date, shall become due and payable and be paid in consecutive monthly instalments each in the amount of the Instalment Amount (which instalments include principal and interest) on the First Instalment Date and on the same day of each and every month in each and every year thereafter to and including the Maturity Date and the balance, if any, of the Principal Amount and interest thereon shall become due and payable and be paid on the Maturity Date;
- (ii) all amounts that may be due or become due by the Mortgagor to the Mortgagee under the provisions of this Mortgage in accordance with such provisions or, in the absence of any stipulations as to the time for payment in such provisions, on demand; and
- (iii) taxes in accordance with Section 9(b) of this Mortgage.

(b) **Variable Rate Mortgages with Interest Only Payments**

If the Schedule indicates that the Mortgage Interest Rate is a variable rate of interest with interest only payments, then the Mortgagor shall pay to the Mortgagee at the office or branch of the Mortgagee to be designated from time to time, in lawful money of Canada:

- (i) the Principal Amount with interest thereon at the Mortgage Interest Rate calculated as aforesaid, until paid, as follows:
 - A. interest at the Mortgage Interest Rate on the portion of the Principal Amount from time to time advanced, computed from the respective dates of such advances until the Interest Adjustment Date, shall become due and payable and be paid on the Interest Adjustment Date. The Mortgagee may require the payment of interest at the Mortgage Interest Rate on the portion of the Principal Amount

advanced from time to time, computed from the respective dates of such advances, to become due and payable and be paid in monthly instalments on the same day of the month next following the first advance, and on the same day of each and every month thereafter and the balance, if any, of the aforesaid interest on the Principal Amount advanced shall become due and payable and be paid on the Interest Adjustment Date. At the option of the Mortgagee, interest so due and payable may be deducted from such advances; and

B. thereafter, interest at the Mortgage Interest Rate, computed from the Interest Adjustment Date, shall become due and payable and be paid in consecutive monthly instalments on the First Instalment Date and on the same day of each and every month in each and every year thereafter to and including the Maturity Date and the balance, if any, of the Principal Amount and interest thereon shall become due and payable and be paid on the Maturity Date;

(ii) all amounts that may be due or become due by the Mortgagor to the Mortgagee under the provisions of this Mortgage in accordance with such provisions or, in the absence of any stipulations as to the time for payment in such provisions, on demand; and

(iii) taxes in accordance with Section 9(b) of this Mortgage.

5. COMPOUND INTEREST

It is agreed that if default is made in payment of any sum to become due for interest at any time appointed for payment thereof, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the Mortgage Interest Rate, and in case the interest and compound interest are not paid on the next interest payment date after the date of default a rest shall be made, and compound interest at the Mortgage Interest Rate shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the Mortgaged Premises and shall be secured by this Mortgage.

6. APPLICATION OF PAYMENTS

(a) Fixed Rate Mortgages

If the Mortgage Interest Rate is a fixed interest rate, the instalments payable under this Mortgage are to be applied first to bring into good standing any accounts in which funds are held pending payment to third parties or amounts are debited in respect of this Mortgage, including tax accounts, if any; secondly, to interest calculated as provided in this Mortgage on the portion of the Principal Amount from time to time outstanding; and, lastly, the balance of the instalments shall be applied on account of the portion of the Principal Amount then outstanding; except, however, in the case of default by the Mortgagor, the Mortgagee may apply any payments received during the period of default in whatever order it may elect as between the Principal Amount, interest, Taxes, repairs, insurance premiums or any other amounts payable by the Mortgagor under this Mortgage.

(b) Variable Rate Mortgages

If the Mortgage Interest Rate is a variable interest rate, the instalments payable under this Mortgage are to be applied first to bring into good standing any accounts in which funds are held pending payment to third parties or amounts are debited in respect of this Mortgage, including tax accounts, if any; secondly, to interest at the Mortgage Interest

Rate calculated as provided in this Mortgage on the Principal Amount from time to time outstanding; thirdly, to Deferred Interest and interest thereon calculated in accordance with this Mortgage; and, fourthly, to the reduction of the portion of the Principal Amount then outstanding; except, however, in the case of default by the Mortgagor, the Mortgagee may apply any payments received during the period in default in whatever order it may elect as between the Principal Amount, interest, Taxes, repairs, insurance premiums or any other amounts payable by the Mortgagor under this Mortgage.

The Mortgagor and Mortgagee acknowledge that although the amount of each Instalment Amount to be paid by the Mortgagor under this Mortgage is fixed under the terms of this Mortgage, the respective portions of interest and principal which comprise each instalment may vary as the Prime Rate varies and, therefore, the Mortgage Interest Rate payable under this Mortgage varies.

If the Prime Rate declines, a larger portion of any instalment will be applied against the Principal Amount then outstanding, thus accelerating the reduction of the Principal Amount outstanding under this Mortgage. Conversely, if the Prime Rate increases, a larger portion of any instalment will be applied against accrued interest, thus delaying the reduction of the Principal Amount outstanding under this Mortgage. In the event that any instalment is not sufficient to pay all accrued interest on the date of such payment, the Deferred Interest will form a charge on the Mortgaged Premises and shall bear interest at the Mortgage Interest Rate payable monthly and calculated monthly, not in advance. If all accrued interest is not paid on the next payment date, the amount of interest that remains unpaid will bear interest at the Mortgage Interest Rate and the unpaid interest will be added to the Deferred Interest and so on.

Alternatively, if the Mortgage is not in default and the Instalment Amount is not sufficient to pay all accrued interest on the portion of the Principal Amount then outstanding, the Mortgagor agrees that the Mortgagee may, without notice to the Mortgagor, increase the amount of the instalment payment in increments of one hundred dollars (\$100) until the instalment payment amount is sufficient to pay all interest that has accrued from the last Instalment Date up to and including the date of the payment. The amount so paid shall become the new Instalment Amount until such time as the Mortgagor and Mortgagee may agree to a different instalment payment amount or the instalment payment amount is again increased in accordance with the terms hereof.

7. PREPAYMENT

The Mortgagor acknowledges and agrees that there is no privilege or right vested in the Mortgagor to prepay or to accelerate prepayment of the monies advanced under this Mortgage to a date or dates earlier than the Maturity Date.

The Mortgagor hereby waives any right of prepayment that the Mortgagor may acquire pursuant to Section 10 of the *Interest Act* (Canada), or any similar or successor sections or amendments thereto or any other statutory provision whether federal or provincial providing for the payment of the principal and accrued interest secured by this Mortgage prior to or otherwise than in accordance with the terms regarding the payment of principal and interest contained in this Mortgage. The Mortgagor covenants and agrees to be bound by and to observe such terms notwithstanding any statutory right of prepayment which now exists or which may exist in the future. In addition, and without limiting the generality of the foregoing waiver, the date of this Mortgage for the purpose of any statutory right of prepayment shall be deemed to be the Interest Adjustment Date.

The *Interest Act* (Canada) permits the prepayment of mortgages with three (3) months further interest once five (5) years have elapsed from the date of the Mortgage. For the purpose of this statutory right of prepayment only, the Mortgagor agrees that the date of this Mortgage if so

renewed or extended will be the renewal or extension date stipulated in the mortgage renewal or extension agreement.

8. **FIXTURES**

The Mortgagor covenants and agrees that all erections and improvements, fixed or otherwise, now on or after the date of this Mortgage put on the Mortgaged Premises, including but without limiting the generality of the foregoing, all buildings, fences, heating, piping, plumbing, aeralis, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, cleaning and drying equipment, window blinds, radiators and covers, fixed mirrors, fitted blinds, storm windows and storm doors, window screens and screen doors, shutters and awnings, floor coverings, and all apparatus and equipment appurtenant thereto, and all improvements, fixed or otherwise and even though not attached otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Mortgaged Premises and shall be a portion of the security for the amounts secured by this Mortgage.

9. **TAXES AND COVENANTS**

The Mortgagor covenants and agrees with the Mortgagee that:

- (a) **Covenant to Pay and Quiet Enjoyment on Default:** The Mortgagor will pay the Principal Amount and interest and all other monies payable under this Mortgage in the manner set out in this Mortgage and on default the Mortgagee may enter and have quiet enjoyment of the Mortgaged Premises.
- (b) **Realty Taxes:** In connection with taxes, rates and assessments ("Taxes") chargeable against or upon the Mortgaged Premises,
 - (i) The Mortgagee may deduct from the final advance of the Principal Amount an amount sufficient to pay the Taxes that have become or will become due and payable on that date or the Interest Adjustment Date (as the case may be);
 - (ii) After the Interest Adjustment Date, the Mortgagor shall pay to the Mortgagee in monthly instalments on the Instalment Dates sums sufficient to enable the Mortgagee to pay the whole amount of Taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the next instalment thereof;
 - (iii) Where the period between the Interest Adjustment Date and the next following annual due date or first instalment date for payment of Taxes is less than one (1) year, the Mortgagor shall pay to the Mortgagee in equal monthly instalments, during such period and during the next succeeding twelve (12) month period, an amount estimated by the Mortgagee to be sufficient to pay, on or before the expiration of such succeeding twelve (12) month period, all Taxes which shall become due and payable during the two (2) periods and during the balance of the year in which such succeeding twelve (12) month period expires; and the Mortgagor shall also pay to the Mortgagee on demand the amount, if any, by which the actual Taxes exceed such estimated amount;
 - (iv) Except as provided in the last preceding clause, the Mortgagor shall, in each and every month, pay to the Mortgagee one-twelfth (1/12) of the amount (as estimated by the Mortgagee) of the Taxes next becoming due and payable; and shall also pay to the Mortgagee on demand the amount, if any, by which the actual Taxes exceed such estimated amount;

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- (v) The Mortgagee may allow the Mortgagor interest on any balances standing in the mortgage account from time to time to the credit of the Mortgagor for payment of Taxes, at a rate per annum, and at such times, as the Mortgagee may determine in its sole discretion, and the Mortgagor shall be charged interest, at the Mortgage Interest Rate, on the debit balance, if any, for Taxes in the mortgage account outstanding after payment of Taxes by the Mortgagee, until such debit balance is fully repaid;
 - (vi) The Mortgagee agrees to apply such deduction and payments on the Taxes chargeable against the Mortgaged Premises so long as the Mortgagor is not in default under any covenant, proviso or agreement contained herein, but nothing herein contained shall obligate the Mortgagee to apply such payments on account of Taxes more often than yearly. Provided, however, that if before any sum or sums so paid to the Mortgagee shall have been so applied, there shall be default by the Mortgagor in respect to any payment of principal or interest as herein provided, the Mortgagee may apply such sum or sums in or towards payment of the principal and/or interest in default. The Mortgagor further covenants and agrees to transmit to the Mortgagee the assessment notices, tax bills and other notices affecting the imposition of Taxes, forthwith after the receipt of same by the Mortgagor; and
 - (vii) The Mortgagor shall reimburse the Mortgagee, on demand, for any fees paid or charges incurred by the Mortgagee to a municipality or other tax authority from time to time in connection with the administration of the tax account, including any fees or charges for the obtaining of information or searches or certificates in respect thereof, or the payment of taxes in any manner and the Mortgagor authorizes the Mortgagee to deduct the amount of such fees or charges from the tax account.

Notwithstanding the provisions set out in this subsection, at the option of the Mortgagee, the Mortgagor will pay all Taxes as and when the same become due and payable and will provide the Mortgagee with receipts confirming same as the Mortgagee may require.

- (c) **Good Title and Right to Convey:** The Mortgagor has a good title in fee simple to the Mortgaged Premises and the right to convey the Mortgaged Premises as hereby conveyed, and covenants that the Mortgaged Premises are free from encumbrances, and that the Mortgagor will procure such further assurances as may reasonably be required.

- (d) **Insurance:**

- (i) **General Provisions**

The Mortgagor will forthwith insure and during the continuance of this Mortgage keep insured in favour of the Mortgagee each and every building including all fixed improvements and chattels now on the Mortgaged Premises and which may hereafter be erected thereon, both during erection and thereafter, against loss or damage by an "all risks" coverage for perils of fire and such other perils as the Mortgagee may require, including at least loss or damage by explosion, falling object, impact by vehicle or aircraft, rupture of heating, plumbing or air conditioning systems, smoke, riot or civil commotion, vandalism and malicious act, windstorm and hail, to the full extent of their replacement cost on a stated amount replacement cost basis of each and every such building and the amount of the Mortgagee's interest therein, in lawful money of Canada. Without limiting the foregoing such policy or policies shall include the following insurance coverage:

- A. All Risks coverage and malicious damage coverage, including earthquake, flood, by-law contravention and leakage from fire protection equipment on a full

replacement cost basis and with the same or adjacent site clause deleted and with loss under each policy payable to the Mortgagee pursuant to Insurance Bureau of Canada approved mortgage clause insurance endorsement, with preference in its favour over any claim of any other person; permission should be granted for the improvements to be vacant or unoccupied for a period of at least thirty (30) days and shall provide for partial occupancy;

- B. Comprehensive broad form boiler insurance including fired and unfired pressure vessels insurance, air-conditioning equipment and miscellaneous electrical apparatus, if any, including repair, replacement and by-law contravention and including use and occupancy coverage, for an amount satisfactory to the Mortgagee with loss payable to the Mortgagee by way of an Insurance Bureau of Canada Boiler and Machinery clause;
- C. Comprehensive general liability insurance for bodily injury and/or death or property damage in or about the Mortgaged Premises, such insurance to afford protection in such amounts as the Mortgagee may from time to time reasonably require, provided that if the Mortgaged Premises are to be used for commercial purposes such insurance shall be in an amount not less than five million dollars per occurrence written on an inclusive basis;
- D. Business interruption insurance or rental insurance coverage acceptable to the Mortgagee for an indemnity period of not less than twelve (12) months and with coverage of not less than 100% of the gross annual rentals from the Mortgaged Premises, based on the greater of actual and projected rentals.

All cancellation clauses in the above referenced policies, including those contained in the mortgage clause insurance endorsement, are to provide for at least thirty (30) days prior notice to the Mortgagee of such cancellation. Such policies shall also provide that the Mortgagee shall receive at least thirty (30) days prior notice of any material alteration of such policy. All such insurance coverage shall be placed and kept in force with an insurance company or companies duly authorized to carry on business as such and under policies satisfactory in form to the Mortgagee. The Mortgagor shall direct its insurer(s) to provide certified copies of the policies of insurance to the Mortgagee. The Mortgagor will pay all premiums and sums of money necessary for such purposes promptly as the same shall become due and will deliver evidence of renewal to the Mortgagee at least three (3) days prior to the expiration of any policy of insurance.

Each policy of insurance shall provide that every loss, if any, shall be payable to the Mortgagee as its interest may appear in accordance with this Mortgage, subject to the Insurance Bureau of Canada approved mortgage clause. The Mortgagor will forthwith assign, transfer and deliver to the Mortgagee the policy or policies of insurance and all renewal receipts thereto appertaining. No insurance will be carried on improvements or buildings on the Mortgaged Premises other than such as is made payable to the Mortgagee in accordance with the provisions of this paragraph. The Mortgagor will not do or omit or cause or suffer anything to be done, omitted, caused or suffered whereby the policy or policies of insurance, as aforesaid, may be voided or become void. In the event of any breach of the foregoing covenants respecting insurance, the Mortgagee, without prejudice to its other rights under this Mortgage, may, at its option, effect such insurance to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest. Any amount paid by the Mortgagee shall be added to the debt secured by this Mortgage and shall bear interest at the Mortgage Interest Rate from the time of such payment and shall be payable on the next Instalment Date.

Forthwith on the happening of any loss or damage, the Mortgagor will furnish, at his own expense, all necessary proofs and do all necessary acts to enable the Mortgagee to

obtain payment of the insurance monies. The production of this Mortgage shall be sufficient authority for such insurance company to pay every such loss to the Mortgagee, and such insurance company is hereby directed thereupon to pay the same to the Mortgagee. Any insurance monies received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the Mortgaged Premises or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the Mortgaged Premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the Mortgage debt or any part thereof whether due or not then due.

(ii) **Condominium Provisions**

If the Mortgaged Premises are part of a condominium the insurance provisions set out in subparagraph (i) above do not apply and the following will apply to this Mortgage:

The Mortgagor or the Condominium Corporation (as herein defined) or both of them will forthwith insure and during the continuance of this Mortgage keep insured in favour of the Mortgagee against loss or damage by an "all risk" coverage for perils, fire, lightning, earthquake, flood, by-law contravention, windstorm, hail, explosion, impact, vandalism, malicious acts, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Mortgagee might require to the full extent of their replacement cost with a stated amount co-insurance clause in lawful money of Canada, each and every building located on the lands described in the condominium plan and which may hereafter be erected thereon, both during erection and thereafter and all fixtures as hereinafter defined or referred to and all other risks, hazards and perils of any nature or kind which the Mortgagee might require depending on the nature of the Mortgaged Premises or the use thereof, with a company or companies approved by the Mortgagee. The improvements within the Mortgaged Premises must be insured on an "all risks" basis for full replacement costs. The policies must contain the Insurance Bureau of Canada approved mortgage clause with the loss payable to the Mortgagee as its interest may appear and the Mortgagor and the Condominium Corporation will forthwith assign, transfer and deliver unto the Mortgagee the policy or policies of insurance and receipts thereto appertaining and if the Mortgagor or Condominium Corporation or both of them shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policy or policies and receipts or produce to the Mortgagee at least fifteen (15) days before the termination of any insurance, evidence of renewal thereof, the Mortgagee shall be entitled but shall not be obligated to insure the said buildings or any of them; and the Mortgagor or the Condominium Corporation or both of them shall forthwith on the happening of any loss or damage comply fully with the terms of the policy, or policies, of insurance and, without limiting the generality of the obligation of the Mortgagor to observe and perform all the duties and obligations imposed on the Mortgagor by the *Condominium Property Act* and by the condominium plan and by-laws of the Condominium Corporation as hereinafter provided, shall comply with the insurance provisions of the condominium plan; and the Mortgagor as a member of the Condominium Corporation shall seek the full compliance by the Condominium Corporation of the aforementioned covenants.

- (e) **Repair and Waste:** The Mortgagor will keep the Mortgaged Premises, including any buildings and improvements now or hereafter situated thereon, in good condition and repair. If the Mortgaged Premises, including the buildings or improvements situated thereon, are not kept in good condition and repair or any act of waste is committed thereon by the Mortgagor or any other person, whether or not the Mortgagor has control over the acts of that person, or if the Mortgagor defaults after any part of the Principal Amount has been advanced, the Mortgagee may enter and complete, repair or manage the Mortgaged Premises and recover all reasonable costs with interest as part of this Mortgage.

- (f) **Liens and Construction:** Upon the registration of any lien against the Mortgaged Premises, or in the event of any buildings being erected thereon being allowed to remain unfinished or without any work being done on them for a period of ten (10) days, the Principal Amount, together with interest thereon at the Mortgage Interest Rate, and all other amounts hereby secured shall, at the option of the Mortgagee, forthwith become due and payable. In the event any lien is registered against the Mortgaged Premises, the Mortgagee shall have the right, but not the obligation, to pay such amounts as may be required to vacate the lien. Any amount so paid by the Mortgagee, together with all costs, charges and expenses incurred by the Mortgagee in connection therewith, including all legal costs, on a solicitor and its own client basis, shall be added to the Principal Amount and shall bear interest at the Mortgage Interest Rate and shall, with such interest, be a charge on the Mortgaged Premises prior to all claims thereon subsequent to this Mortgage, and shall be forthwith payable on demand.
- (g) **Alterations:** The Mortgagor will not make nor permit any demolition, alterations, or additions to the Mortgaged Premises without the prior written consent of the Mortgagee, and will not use or permit the use of the Lands, buildings and improvements on the Mortgaged Premises for a purpose other than as disclosed to the Mortgagee on or before the date of this Mortgage without the prior written consent of the Mortgagee.
- (h) **Parking Area:** The Mortgagor covenants and agrees that if a parking area forms part of the Mortgaged Premises, the parking area shall not be used for any purpose other than the parking of motor vehicles on a daily basis, except with the prior written approval of the Mortgagee.
- (i) **Acceleration on Default:** In default of payment of any of the Principal Amount at the time appointed for payment thereof, or on breach of any covenant or proviso in this Mortgage, or if waste be committed by the Mortgagor or any other person, whether or not the Mortgagor has control over the acts of that person, or if the Mortgagor makes an assignment for the benefit of creditors or a proposal under the *Bankruptcy and Insolvency Act*, or *Companies' Creditors Arrangement Act* or if a bankruptcy petition is presented against the Mortgagor, or if the Mortgagor allows a creditor to enter judgment against the Mortgagor by reason of the Mortgagor's inability to pay a debt or debts, the whole of the Principal Amount remaining unpaid shall, at the option of the Mortgagee, become due and payable, and if the Mortgagee waives its right to call in the principal, it shall not be therefor debarred from subsequently asserting and exercising its right to call in the principal by reason of such waiver or by reason of any future default. The Mortgagor agrees that neither the execution nor registration of this Mortgage nor the advancing of any part of the Principal Amount shall bind the Mortgagee to advance said money or any unadvanced portion thereof, but that the advance of the money or any part thereof shall be in the sole discretion of the Mortgagee.
- (j) **Prior Encumbrances:** The Mortgagee may, but shall not be obliged to, pay the amount of any encumbrance, lien or charge now or hereafter existing or to arise or be claimed upon the Mortgaged Premises having priority over this Mortgage, including any arrears of Taxes on the Mortgaged Premises, and may also pay all costs, charges and expenses that may be incurred in taking, recovering and keeping possession of the Mortgaged Premises and all legal costs for or in respect of the collection of any overdue interest, principal, insurance premiums, repair costs or any other monies whatsoever payable by the Mortgagor under this Mortgage, as between a solicitor and its own client, whether any action or other judicial proceeding to enforce such payment has been taken or not; and the amounts so paid shall be added to the principal amount secured by this Mortgage and bear interest at the Mortgage Interest Rate and be a charge on the Mortgaged Premises, and shall forthwith be payable by the Mortgagor to the Mortgagee and the non-payment of such amount shall entitle the Mortgagee to exercise the powers exercisable for breach of covenant herein contained. In the event of the Mortgagee paying the

amount of any such encumbrance, lien or charge, or Taxes, either out of the monies advanced on the security of this Mortgage or otherwise, it shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or government so paid off.

- (k) **Non-Merger:** The taking of a judgment on any covenant in this Mortgage shall not operate as a merger of any covenant in this Mortgage nor affect the Mortgagee's right to interest at the Mortgage Interest Rate and at the times provided in this Mortgage and such judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in this Mortgage until such judgment shall have been fully paid and satisfied.
- (l) **Inspection:** The Mortgagee, a mortgage default insurer of this Mortgage or their respective agents may, at any time, enter upon the Mortgaged Premises to inspect the Mortgaged Premises. The reasonable costs of such inspection shall: (i) be added to the debt secured by this Mortgage; (ii) bear interest at the Mortgage Interest Rate; and (iii) be a charge on the Mortgaged Premises. The Mortgagee, a mortgage default insurer of this Mortgage, or their respective agents may enter upon the Mortgaged Premises to conduct any environmental testing, site assessment, investigation, engineering report or other study deemed necessary by either the Mortgagee or a mortgage default insurer of this Mortgage and the costs of such testing, assessment, investigation or study, as the case may be, with interest at the Mortgage Interest Rate, shall be payable by the Mortgagor forthwith and shall be a charge upon the Mortgaged Premises. The exercise of any of the powers enumerated in this clause shall not deem the Mortgagee, a mortgage default insurer of this Mortgage or their respective agents to be in possession, management or control of the Mortgaged Premises.
- (m) **Compliance with Laws:** The Mortgagor will at all times promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise, including, without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped areas, environmental pollution, toxic materials or other environmental hazards, building construction, public health and safety, and all private covenants and restrictions affecting the Mortgaged Premises; and the Mortgagor will from time to time, upon request of the Mortgagee, provide to the Mortgagee evidence of such observance and compliance, and will at the Mortgagor's own expense make any and all improvements thereon or alterations to the Mortgaged Premises, structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.
- (n) **Extensions of Time:** No extension of time given by the Mortgagee to the Mortgagor, or anyone claiming under the Mortgagor, or any other dealings with the owner of the Mortgaged Premises, shall in any way affect or prejudice the rights of the Mortgagee against the Mortgagor or any other person liable for payment of the amounts secured by this Mortgage.
- (o) **Extension of Term:** This Mortgage may be renewed or extended by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrancers, and it shall not be necessary to register any such agreement in order to retain priority for this Mortgage so altered over any instrument registered subsequently to this Mortgage. If the Mortgagor makes any payments to the Mortgagee after expiration of the original term of this Mortgage or any subsequent term agreed to in writing between the Mortgagor and the Mortgagee without first having agreed in writing with the Mortgagee as to the terms of

payment of the balance of the money then repaid, any such payment shall not be deemed to have renewed the term of this Mortgage for the unexpired term of years based on the remaining amortization of this Mortgage. The Mortgagor shall pay to the Mortgagee the amount of any renewal or extension fee charged by the Mortgagee in connection with the renewal or extension of this Mortgage, and all legal costs on a solicitor and its own client basis incurred by the Mortgagee in connection with the renewal or extension. If the Mortgagor does not pay the renewal or extension fee and/or the Mortgagee's legal costs, such amounts shall be added to the Principal Amount and shall bear interest at the Mortgage Interest Rate and shall, with such interest, be a charge on the Mortgaged Premises prior to all claims thereon subsequent to this Mortgage, and shall be payable on demand. Nothing contained in this paragraph shall confer any right of renewal or extension upon the Mortgagor.

- (p) **Withholding from Payments:** If the Mortgagor is required by law to make any deduction or withholding from any sum payable by the Mortgagor to the Mortgagee, the sum payable by the Mortgagor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Mortgagee receives and retains (free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made; and the Mortgagor shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Mortgagee within thirty (30) days after it has made such payment to the applicable authority a receipt issued by such authority evidencing such payment.
- (q) **Other Taxes:** The Mortgagor shall pay to the Mortgagee, on demand, the amount of any income, corporate, withholding or similar taxes (other than the Mortgagee's income taxes) ("Other Taxes") that may be imposed upon or in respect of the Principal Amount from time to time outstanding, together with interest thereon, that the Mortgagee may be called upon to pay, together with interest from the date on which such Other Taxes are paid by the Mortgagee at the rate and compounded in the manner provided in this Mortgage.
- (r) **Expropriation:** The Mortgagor and Mortgagee agree that if the whole or part of the Mortgaged Premises are expropriated by a public authority pursuant to statutory authority, any monies paid to the Mortgagor in compensation for the expropriation of the whole or part of the Mortgaged Premises shall be paid by the Mortgagor to the Mortgagee as a lump sum payment under the Mortgage. The Mortgagee, through its agents or employees, may order a survey and/or property valuation of the Mortgaged Premises in order to ascertain the value of the expropriated lands and the remaining lands. Any and all reasonable costs, charges and expenses for such survey and or property valuation shall be added to the Principal Amount and shall bear interest at the Mortgage Interest Rate, and shall, with such interest, be a charge on the Mortgaged Premises prior to all claims thereon subsequent to the Mortgage and shall be payable forthwith on demand.

10. EQUIVALENT INTEREST RATES

This section sets out a table of equivalent interest rates in respect of variable rate mortgages. The equivalent interest rates are provided for disclosure purposes only and do not affect the calculation of interest under this Mortgage. The following table sets out interest rates calculated half yearly, not in advance, which are equivalent to interest rates calculated monthly not in advance. The Mortgagor may determine the equivalent rate by locating the rate of interest payable under this Mortgage in the column headed "Interest Rate Calculated Monthly Not in Advance (%)" and comparing that rate of interest to the rate of interest indicated in the column

immediately to the right of such rate of interest entitled "Equivalent Interest Rate Calculated Half-Yearly Not in Advance (%)".

EQUIVALENT RATES TABLE

Interest Rate Calculated Monthly Not In Advance (%)	Equivalent Interest Rate Calculated Half-Yearly Not In Advance (%)	Interest Rate Calculated Monthly Not In Advance (%)	Equivalent Interest Rate Calculated Half-Yearly Not In Advance (%)
1.000	1.002	10.500	10.732
1.125	1.128	10.625	10.863
1.250	1.253	10.750	10.994
1.375	1.379	10.875	11.124
1.500	1.505	11.000	11.255
1.625	1.631	11.125	11.386
1.750	1.756	11.250	11.517
1.875	1.882	11.375	11.648
2.000	2.008	11.500	11.779
2.125	2.134	11.625	11.910
2.250	2.261	11.750	12.041
2.375	2.387	11.875	12.173
2.500	2.513	12.000	12.304
2.625	2.639	12.125	12.435
2.750	2.766	12.250	12.567
2.875	2.892	12.375	12.698
3.000	3.019	12.500	12.830
3.125	3.145	12.625	12.962
3.250	3.272	12.750	13.094
3.375	3.399	12.875	13.225
3.500	3.526	13.000	13.357
3.625	3.652	13.125	13.489
3.750	3.779	13.250	13.621
3.875	3.906	13.375	13.753
4.000	4.033	13.500	13.885
4.125	4.161	13.625	14.018
4.250	4.288	13.750	14.150
4.375	4.415	13.875	14.282
4.500	4.542	14.000	14.415
4.625	4.670	14.125	14.547
4.750	4.797	14.250	14.680
4.875	4.925	14.375	14.812
5.000	5.052	14.500	14.945
5.125	5.180	14.625	15.078
5.250	5.308	14.750	15.211
5.375	5.436	14.875	15.344
5.500	5.563	15.000	15.477
5.625	5.691	15.125	15.610
5.750	5.819	15.250	15.743
5.875	5.947	15.375	15.876
6.000	6.076	15.500	16.009
6.125	6.204	15.625	16.143
6.250	6.332	15.750	16.276
6.375	6.460	15.875	16.409

Interest Rate Calculated Monthly Not In Advance (%)	Equivalent Interest Rate Calculated Half-Yearly Not In Advance (%)	Interest Rate Calculated Monthly Not In Advance (%)	Equivalent Interest Rate Calculated Half-Yearly Not In Advance (%)
6.500	6.589	16.000	16.543
6.625	6.717	16.125	16.677
6.750	6.846	16.250	16.810
6.875	6.974	16.375	16.944
7.000	7.103	16.500	17.078
7.125	7.232	16.625	17.212
7.250	7.360	16.750	17.345
7.375	7.489	16.875	17.480
7.500	7.618	17.000	17.614
7.625	7.747	17.125	17.748
7.750	7.876	17.250	17.882
7.875	8.005	17.375	18.016
8.000	8.135	17.500	18.151
8.125	8.264	17.625	18.285
8.250	8.393	17.750	18.419
8.375	8.522	17.875	18.554
8.500	8.652	18.000	18.689
8.625	8.781	18.125	18.823
8.750	8.911	18.250	18.958
8.875	9.041	18.375	19.093
9.000	9.170	18.500	19.228
9.125	9.300	18.625	19.363
9.250	9.430	18.750	19.498
9.375	9.560	18.875	19.633
9.500	9.690	19.000	19.768
9.625	9.820	19.125	19.903
9.750	9.950	19.250	20.039
9.875	10.080	19.375	20.174
10.000	10.211	19.500	20.310
10.125	10.341	19.625	20.445
10.250	10.471	19.750	20.581
10.375	10.602	19.875	20.716

11. **SALE BY MORTGAGOR**

If the Mortgagor sells, conveys, transfers, or enters into any agreement of sale or transfer of the title of the Mortgaged Premises to a purchaser, a grantee or transferee not approved in writing by the Mortgagee, which approval shall be at the sole discretion of the Mortgagee, then, at the option of the Mortgagee, all monies secured by this Mortgage with accrued interest thereon shall forthwith become due and payable.

12. **CONSTRUCTION**

In the event that the Mortgagor erects buildings or improvements upon the Mortgaged Premises:

- (a) The Mortgagor agrees that it will proceed with due diligence with the erection and completion of the buildings or improvements in accordance with the plans and specifications approved or to be approved by the Mortgagee and any mortgage default insurer that has insured this Mortgage;

- (b) The Mortgagee may, in its absolute discretion, advance the Principal Amount in such amounts from time to time as the inspector or valuator of the Mortgagee may approve and the Mortgagee may deem proper, it being the intention that the Principal Amount may be advanced as the buildings or improvements progress in such amounts as the Mortgagee may in its absolute discretion deem prudent;
- (c) The Mortgagee shall be at liberty to retain out of any and all advances made such sums as it may deem necessary to cover any liens for work or labour done or materials or services provided in or for the buildings or improvements until any and all such liens are discharged, and that the Mortgagee may also retain out of any and all advances made, a sum sufficient to provide for and indemnify it against such liens that may exist or be claimed; and it shall not be liable or responsible to the Mortgagor for the validity or correctness of any such claim, and if the Mortgagee pays any such liens to an amount greater than the balance of monies which it shall have on hand to be advanced under this Mortgage, such sums so paid shall be a further charge on the Mortgaged Premises, and shall bear interest at the Mortgage Interest Rate and shall be immediately payable to it by the Mortgagor and shall be added to the Principal Amount and shall be a charge on the Mortgaged Premises;
- (d) In case the Mortgagor should fail in the erection of the buildings or improvements or should neglect to carry on the work of erecting the buildings or improvements with reasonable diligence, the Mortgagee may, in its absolute discretion, enter upon the Mortgaged Premises with power, in its absolute discretion, to alter the plans and specifications if it deems it necessary to do so in order to complete the buildings or improvements, and may complete the same and apply all or any unadvanced portion of the Principal Amount towards payment of the costs (and interest thereon, if any) of completing the buildings or improvements, without thereby becoming liable as mortgagee in possession. If it is unable to properly complete the building(s) or improvements with the unadvanced portion of the Principal Amount, and it advances or lays out any further sum therefore, such further sum shall be deemed to be a further advance under this Mortgage and shall bear interest at the Mortgage Interest Rate, and shall immediately be repayable by the Mortgagor and shall be added to the Principal Amount and shall be a charge on the Mortgaged Premises;
- (e) In case of such default in the erection of the buildings or improvements, or in case any lien is registered against the Mortgaged Premises, the monies secured by this Mortgage shall, at the option of the Mortgagee, immediately become due and payable and the Mortgagee may (whether it proceeds with the completion of the buildings or improvements as above mentioned or not) exercise its remedies under this Mortgage; and
- (f) This Mortgage shall take effect forthwith upon the execution of this Mortgage by the Mortgagor, and the expenses of the examination of the title and of this Mortgage and valuation are to be secured by this Mortgage in the event of the whole or any balance of the Principal Amount not being advanced, the same to be a charge upon the Mortgaged Premises and shall, at the option of the Mortgagee, immediately become due and payable with interest at the Mortgage Interest Rate and in default all remedies under this Mortgage or at law shall be exercisable by the Mortgagee.

13. OBLIGATIONS SURVIVE SALE

The Mortgagor agrees that no sale or other dealing by the Mortgagor with the Mortgaged Premises or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of the amounts secured by this Mortgage.

14. **OTHER SECURITY**

This Mortgage is in addition to, and not in substitution for, any other security held by the Mortgagee, including any promissory note or notes for all or any part of the monies secured hereunder, and it is understood and agreed that the Mortgagee may pursue its remedies thereunder and hereunder concurrently or successively at its option. Any judgment or recovery hereunder or under any other security held by the Mortgagee for the monies secured by this Mortgage shall not affect the right of the Mortgagee to realize upon this or any other such security. Without limiting the generality of the foregoing, this Mortgage is in addition to, and not in substitution for, any other charges now or hereafter held by the Mortgagee over the Mortgaged Premises as security for monies advanced hereunder or any other monies due to the Mortgagee, and it is understood and agreed that the aggregate principal amount secured by this Mortgage and such other charges shall be the sum of the Principal Amount and all other monies secured hereunder and the respective principal amounts of such other charges.

15. **PLACE OF PAYMENT**

All payments hereby secured shall be made at such place as the Mortgagee may from time to time designate in writing to the Mortgagor, in lawful money of Canada.

16. **RIGHTS ON DEFAULT**

In the event of default in the payment of any instalment of principal, interest or Taxes secured by this Mortgage or any other amounts payable under this Mortgage by the Mortgagor or on breach of any covenant, proviso or agreement in this Mortgage after all or any part of the Principal Amount has been advanced, the Mortgagee, its inspector or agent may at such time or times as the Mortgagee may deem necessary and without the concurrence of any other person enter upon the Mortgaged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Mortgaged Premises, or for inspecting, examining title, taking care of, leasing, collecting the rents of, and generally managing the Mortgaged Premises as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Mortgagee or other person appointed for the above purposes shall be forthwith payable to the Mortgagee and bear interest at the Mortgage Interest Rate and be a charge on the Mortgaged Premises. The Mortgagee shall not be the agent or attorney of the Mortgagor by reason of the Mortgagee's entry into possession of the Mortgaged Premises or any part thereof or by anything that may be done by virtue of this section, or be liable to account as Mortgagee or as mortgagor in possession for anything except actual receipts.

17. **NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS**

No failure by the Mortgagee to enforce at any time or from time to time any of its rights under this Mortgage shall prejudice such rights or any other rights of the Mortgagee and no performance or payment by the Mortgagee in respect of any breach or default of the Mortgagor shall relieve the Mortgagor from any such breach or default under this Mortgage; and no waiver at any time or from time to time of any such rights of the Mortgagee shall prejudice such rights in the event of any future default or breach.

18. **CROSS-DEFAULT**

Any breach by the Mortgagor of a covenant or proviso under any other existing or future agreement, document, mortgage, security agreement, assignment of rentals, assignment of leases or any other security in favour of the Mortgagee related to the Mortgaged Premises shall entitle the Mortgagee to exercise its remedies as set out in this Mortgage, as if there had been a default of payment, other default or breach of any covenant or proviso of this Mortgage.

19. **DEFAULT UNDER OTHER MORTGAGES**

The Mortgagor and the Mortgagee agree that if the Mortgagor defaults in the observance or performance of any of the covenants, provisos, agreements or conditions contained in any other mortgage or charge registered against the Mortgaged Premises, the monies secured by this Mortgage shall forthwith become due and be payable, at the option of the Mortgagee, and all powers conferred by this Mortgage upon the Mortgagee shall become exercisable as provided in the Mortgage.

The Mortgagor further agrees that there will be no subsequent encumbrances, save and except with the prior written consent of the Mortgagee.

20. **CHANGE OF CORPORATE CONTROL**

If the Mortgagor is a corporation, the Mortgagor covenants and agrees that if:

- (a) the Mortgagor fails to supply to the Mortgagee, in a form satisfactory to the Mortgagee, such information relating to the ownership of its shares as the Mortgagee may from time to time require; or
- (b) without the written consent of the Mortgagee first had and obtained,
 - (i) the Mortgagor issues or redeems any of its shares or transfers any of its shares,
 - (ii) there is a sale or sales of the shares of the Mortgagor which result in the transfer, including a transfer or deemed transfer by operation of law, of the legal or beneficial interest of any of the shares of the Mortgagor, or
 - (iii) the Mortgagor amalgamates, merges or consolidates with any other corporation,

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Mortgagor, then, at the option of the Mortgagee, all monies secured by this Mortgage with accrued interest thereon shall forthwith become due and payable.

21. **CONDOMINIUMS**

If this Mortgage is of a unit within a plan of condominium the following provisions shall apply:

- (a) The Mortgagor covenants and agrees at all times and from time to time to observe and perform all duties and obligations imposed on the Mortgagor by the *Condominium Property Act* and by the condominium plan, the by-laws and the rules, as amended from time to time, of the Condominium Corporation by virtue of the Mortgagor's ownership of the Mortgaged Premises. Any breach of such duties and obligations shall constitute a breach of covenant under this Mortgage.
- (b) Without limiting the generality of the foregoing, the Mortgagor covenants and agrees that the Mortgagor will pay promptly when due any contributions to common expenses required of the Mortgagor as owner of the Mortgaged Premises and in the event of the Mortgagor's default in doing so the Mortgagee, at its option, may pay the same and the amount so paid shall be added to the Principal Amount and bear interest at the Mortgage Interest Rate from the time of such payments and the amounts so paid shall be a charge on the Mortgaged Premises and shall be payable forthwith by the Mortgagor to the Mortgagee whether or not any payment in default has priority to this Mortgage or any part of the amounts secured hereby.

- (c) The Mortgagor by this Mortgage irrevocably authorizes and empowers the Mortgagee to exercise the Mortgagor's right as owner of the Mortgaged Premises to vote or to consent in all matters relating to the affairs of the Condominium Corporation provided that:
- (i) the Mortgagee may at any time or from time to time give notice in writing to the Mortgagor and the Condominium Corporation that the Mortgagee does not intend to exercise the right to vote or consent and in that event until the Mortgagee revokes the notice the Mortgagor may exercise the right to vote. Any such notice may be for an indeterminate period of time or for a limited period of time or for a specific meeting or matter;
 - (ii) the Mortgagee shall not by virtue of the assignment to the Mortgagee of the right to vote or consent be under any obligation to vote or consent or to protect the interests of the Mortgagor; and
 - (iii) the exercise of the right to vote or consent shall not constitute the Mortgagee a mortgagee in possession.

22. RECEIVERSHIP

Notwithstanding anything herein contained, it is declared and agreed that at any time when there shall be default under the provisions of this Mortgage, the Mortgagee may, at such time and from time to time, and with or without entry into possession of the Mortgaged Premises, or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee or employees of the Mortgagee or not, to be a receiver (which term, as used herein, includes a receiver manager) of the Mortgaged Premises, or any part thereof, and of the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any receiver and appoint another receiver, and that in making any such appointment or removal, the Mortgagee shall be deemed to be acting as the agent or attorney for the Mortgagor, but no such appointment shall be revocable by the Mortgagor. Upon the appointment of any such receiver from time to time, the following provisions shall apply:

- (a) Every such receiver shall have unlimited access to the Mortgaged Premises as agent and attorney for the Mortgagor (which right of access shall not be revocable by the Mortgagor) and shall have full power and unlimited authority to:
 - (i) collect the rent and profits from tenancies, whether created before or after this Mortgage;
 - (ii) rent any portion of the Mortgaged Premises which may become vacant on such terms and conditions as the receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;
 - (iii) complete the construction of any building or buildings or other erections or improvements on the Mortgaged Premises left by the Mortgagor in an unfinished state or award the same to others to complete, and purchase, repair and maintain any personal property including, without limitation, appliances and equipment, necessary or desirable to render the Mortgaged Premises operable or rentable, and take possession of and use or permit others to use all or any part of the Mortgagor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description;
 - (iv) manage, operate, repair, alter or extend the Mortgaged Premises or any part thereof; and

- (v) sell all or any part of the Mortgaged Premises.

The Mortgagor undertakes to ratify and confirm whatever any such receiver may do in the Mortgaged Premises.

- (b) The Mortgagee may, at its discretion, vest the receiver with all or any of the rights and powers of the Mortgagee.
- (c) The Mortgagee may fix the reasonable remuneration of the receiver who shall be entitled to deduct the same out of the revenue or the sale proceeds of the Mortgaged Premises.
- (d) Every such receiver shall be deemed to be the agent or attorney of the Mortgagor and, in no event the agent of the Mortgagee, and the Mortgagee shall not be responsible for his acts or omissions.
- (e) The appointment of any such receiver by the Mortgagee shall not result in or create any liability or obligation on the part of the Mortgagee to the receiver or to the Mortgagor or to any other person and no appointment or removal of a receiver and no actions of a receiver shall constitute the Mortgagee a mortgagee in possession of the Mortgaged Premises.
- (f) No such receiver shall be liable to the Mortgagor to account for monies other than monies actually received by him in respect of the Mortgaged Premises, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:
- (i) the receiver's remuneration aforesaid;
 - (ii) all costs and expenses of every nature and kind incurred by the receiver in connection with the exercise of the receiver's power and authority hereby conferred;
 - (iii) interest, principal and other money which may, from time to time, be or become charged upon the Mortgaged Premises in priority to this Mortgage, including Taxes;
 - (iv) to the Mortgagee all interest, principal and other monies due under this Mortgage to be paid in such order as the Mortgagee, in its discretion, shall determine, and thereafter, every such receiver shall be accountable to the Mortgagee for any surplus.

The remuneration and expenses of the receiver shall be paid by the Mortgagor on demand and shall be a charge on the Mortgaged Premises and shall bear interest from the date of demand at the Mortgage Interest Rate.

- (g) Save as to claims for accounting under paragraph (f) of this section, the Mortgagor hereby releases and discharges any such receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Mortgagor or any person claiming through or under him by reason or as a result of anything done by such receiver unless such claim be the direct and proximate result of dishonesty or fraud.
- (h) The Mortgagee may, at any time and from time to time, terminate any such receivership by notice in writing to the Mortgagor and to any such receiver.
- (i) The statutory declaration of an officer of the Mortgagee as to default under the provisions of this Mortgage and as to the due appointment of the receiver pursuant to the terms

hereof shall be sufficient proof thereof for the purposes of any person dealing with a receiver who is ostensibly exercising powers herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual.

- (i) The rights and powers conferred herein in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Mortgagee may have.

23. MORTGAGOR TO BECOME TENANT

The Mortgagor hereby attorns to the Mortgagee and becomes a tenant from year to year of the Mortgaged Premises at a rental equivalent to and payable at the same days and times as the interest and instalments are to be paid under this Mortgage, such rent when so paid to be in satisfaction of such interest and instalments; provided that the Mortgagee may on default of any payment hereunder or on breach of any other covenant, agreement or proviso herein contained or implied on the part of the Mortgagor to be made, observed or performed, enter on the Mortgaged Premises and determine the tenancy hereby created without notice, and that neither the existence of this clause nor anything done by virtue thereof shall render the Mortgagee liable as Mortgagee in possession or accountable for any moneys except those actually received.

24. RENTAL PROPERTY - STATEMENT OF INCOME AND EXPENSES

If the Mortgaged Premises are occupied or used for rental purposes, the Mortgagor covenants and agrees to maintain proper records and books of account with respect to the revenues of and expenditures arising from or out of the Mortgaged Premises and will permit the Mortgagee or any person appointed by the Mortgagee for that purpose to examine such books at all reasonable times and to make copies or extracts therefrom and will give the Mortgagee all information with regards to the revenues and expenses of the Mortgaged Premises which the Mortgagee may reasonably require.

25. FINANCIAL STATEMENTS

If the Mortgaged Premises are occupied or used for rental purposes, the Mortgagor further covenants with the Mortgagee to provide annually to the Mortgagee detailed financial statements of the income and expenses of the Mortgaged Premises, including a current rent roll, for each annual operating period for the Mortgaged Premises. The statements shall be prepared by a chartered accountant acceptable to the Mortgagee and provided within ninety (90) days after the end of each calendar year. In the event that the Mortgagor and/or the Guarantor(s) are corporations, each Mortgagor and/or Guarantor(s) shall also provide to the Mortgagee audited financial statements within one hundred twenty (120) days after their respective fiscal year-ends for the duration of the term of this Mortgage. In the event that the Mortgagee and/or the Guarantor(s) are individuals, each Mortgagor and/or Guarantor(s) shall provide to the Mortgagee a statement of net worth, a copy of current tax returns and a copy of assessment notices received from Canada Customs and Revenue Agency (or a successor agency), in each case by May 30th of each year during the term of this Mortgage. The Mortgagor shall also provide such other additional financial information as may be requested by the Mortgagee from time to time.

26. PROPERTY MANAGEMENT

The Mortgagor covenants and agrees that the Mortgagee may, at its option, require that the Mortgagor enter into an agreement with a professional independent property management firm (the "Property Management Firm") for the management of the Mortgaged Premises. The selection of the Property Management Firm and the term of the agreement shall be subject to the approval of the Mortgagee. If the Mortgagee has not instructed the Mortgagor to engage a Property Management Firm, the Mortgagor or, subject to the Mortgagee's approval, a corporation affiliated with the Mortgagor, shall manage the Mortgaged Premises in accordance with the

provisions of this Mortgage. Notwithstanding the foregoing, if the Mortgagor is in default under this Mortgage or any other security granted to the Mortgagee by the Mortgagor, the Mortgagee shall have the right, but not the obligation, to appoint a Property Management Firm and upon the appointment of a Property Management Firm the Mortgagor shall provide it access to the Mortgaged Premises and give it access to all records, computer files and other data necessary to permit it to manage the Mortgaged Premises. All costs and expenses paid by the Mortgagee in respect of the Property Management Firm shall be payable by the Mortgagor forthwith upon demand and all such amounts shall be secured by this Mortgage.

27. **RESIDENTIAL RENTAL PROPERTY**

Notwithstanding anything contained in this Mortgage to the contrary, if the Mortgaged Premises are occupied or are used as a residential rental property, the Mortgagor represents and warrants to the Mortgagee that with respect to the Mortgaged Premises, except as permitted under laws applicable to residential housing:

- (a) no demolition, conversion, renovation, repair or severance has taken place with respect to any part of the Mortgaged Premises;
- (b) there have been no increases in the rental charged for residential rental unit or units on the Mortgaged Premises except as permitted by law;

and, as provided in laws applicable to residential housing:

- (c) all rents charged with respect to the Mortgaged Premises or any part thereof are lawful rents and all required rebates have been paid;
- (d) all required filings have been made and were timely, accurate and complete;

and, pursuant to laws applicable to residential housing:

- (e) no applications, investigations or proceedings have been commenced or made; and
- (f) there are no outstanding orders or decisions made by any ministry, board or commission with respect to the Mortgaged Premises or any residential rental unit or units on the Mortgaged Premises.

Before the first advance the Mortgagor agrees on request by the Mortgagee to provide a statutory declaration (by an officer/director if the Mortgagor is a corporation) that the above representations and warranties are true and correct. The Mortgagor agrees on request by the Mortgagee to deliver to the Mortgagee before the first advance all documents required to establish the legality of rents derived from the Mortgaged Premises.

The Mortgagor further agrees to comply with the provisions of all laws applicable to residential rental housing during the term of the Mortgage. In the event of a breach of this covenant or in the event that any of the representations and warranties contained in this provision are false, the outstanding Principal Amount and any accrued interest shall, at the option of the Mortgagee, become immediately due and payable.

28. **ASSIGNMENT OF RENTS**

For better securing to the Mortgagee the payment of all monies secured by this Mortgage, the Mortgagor hereby gives, grants, assigns, transfers and sets over unto the Mortgagee all rents and other monies payable under any leases and/or agreements which affect the Mortgaged Premises or any part thereof, whether written, verbal or otherwise howsoever, provided that nothing done in

pursuance of this Mortgage shall have or be deemed to have the effect of making the Mortgagee a mortgagee in possession or responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the Mortgaged Premises, or for the performance or observance of any covenants, terms or conditions contained in such lease or other agreement.

29. **ASSIGNMENT OF LEASES**

For better securing to the Mortgagee the payment of all monies secured by this Mortgage, the Mortgagor gives, grants, assigns, transfers and sets over unto the Mortgagee all leases and/or agreements which affect the Mortgaged Premises or any part thereof whether written, verbal or otherwise howsoever, including all renewals or extensions thereof, together with all rights, benefits and advantages to be derived therefrom; and service of a copy of this Mortgage upon any lessee of the Mortgagor occupying any portion of the Mortgaged Premises shall operate as an absolute assignment of that lessee's lease and such lessee is thereupon authorized and directed to give effect to such assignment; provided that nothing done in pursuance hereof shall have or be deemed to have the effect of making the Mortgagee a mortgagee in possession or responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the Mortgaged Premises, or for the performance or observance of any covenants, terms or conditions contained in such lease or other agreement.

30. **ENVIRONMENTAL COMPLIANCE**

The Mortgagor hereby represents and warrants to the Mortgagee that:

- (a) there is not in, on or about the Mortgaged Premises any product or substance (including, without restriction, contaminants, wastes, hazardous or toxic materials), equipment or anything else which contravenes any statute, regulation, by-law, order, direction or equivalent relating to the protection of the environment or which is not being dealt with according to best recognized practices relating to the environment;
- (b) to the best of the knowledge of the Mortgagor, no circumstance has existed on the Mortgaged Premises, or exists or has existed on any land adjacent to the Mortgaged Premises, that constitutes or could reasonably constitute a contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment;
- (c) no claim or notice of any action, investigation or proceeding of any kind has been threatened, made or issued, or is pending, relating to any environmental condition on the Mortgaged Premises;
- (d) the Mortgaged Premises are being used in compliance with all statutes, regulations, orders, by-laws, directions and equivalent relating to the protection of the environment; and
- (e) it has obtained any and all certificates, permits and/or approvals required to (i) permit the Mortgagor to construct, alter or remove the improvements situated on the Mortgaged premises; and (ii) conduct its business operations on the Mortgaged Premises.

The Mortgagor hereby covenants and agrees with the Mortgagee as follows:

- (a) the Mortgagor shall give to the Mortgagee immediate notice, in writing, of any material change in circumstances in respect of the Mortgaged Premises or adjacent land which would cause any of the representations and warranties contained in the immediately preceding paragraphs (a) to (e) inclusive to become untrue; and

- (b) the Mortgagor shall not permit or create, and shall not allow anyone else to permit or create, any circumstance on the Mortgaged Premises which would constitute or could reasonably constitute a contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment.

If a contaminant is discovered on the Mortgaged Premises, the Mortgagor shall give to the Mortgagee immediate notice, in writing, of the discovery of a contaminant. The Mortgagor shall, at its sole cost, retain an environmental consultant from a list of consultants approved by the Mortgagee. The consultant shall perform such assessments, investigations, studies and tests as may be required to determine: (i) the potential effect of the contaminant on human health and the environment; (ii) the lateral and vertical extent of the contamination; (iii) the source of the contamination; and (iv) the cost of the remediation of the contamination. The Mortgagor shall immediately deliver to the Mortgagee copies of all reports, studies or other documents prepared by the consultant.

The Mortgagor, at its sole cost and expense, shall comply or cause its tenants, agents and invitees, at their sole cost and expense, to comply with all federal, provincial and municipal laws, rules, regulations and orders with respect to the discharge and removal of hazardous or toxic waste, and with respect to the discharge of contaminants into the natural environment, pay immediately when due the cost of removal of any such waste or contaminants and the cost of any improvements necessary to deal with such waste or contaminants and keep the Mortgaged Premises free and clear of any lien imposed pursuant to such laws, rules and regulations. In the event the Mortgagor fails to do so, after notice to the Mortgagor, and after the expiration of the earlier of:

- (a) any applicable cure period under this Mortgage; or
(b) the cure period under the applicable law, rule, regulation or order,

then the Mortgagee, at its sole option, may declare this Mortgage to be in default.

The Mortgagor shall indemnify and hold harmless the Mortgagee (and its directors, officers, employees and agents) from and against all loss, cost, damage or expenses (including, without limitation, legal fees and costs incurred in the investigation, defence and settlement of any claim or any costs to remediate any contamination or to ensure compliance with applicable environmental laws, regulations, orders or guidelines), relating to the presence of any hazardous waste or contaminant or due to the Mortgagor's failure to comply with the covenants and provisions of this section. This indemnity shall survive the discharge of the Mortgage or the release from this Mortgage of part or all of the Mortgaged Premises.

31. ADMINISTRATION FEES

The Mortgagor covenants with the Mortgagee that the Mortgagor will pay to the Mortgagee the Mortgagee's then current administration fee for the following services and that such fees, until paid, shall be a charge upon the Mortgaged Premises and shall bear interest at the Mortgage Interest Rate: (i) an administration fee for each statement of the Mortgage account provided by the Mortgagee at the request of the Mortgagor or the Mortgagor's solicitor or agent; (ii) a processing fee for each renewal of the Mortgage (to the extent not prohibited by law); (iii) an administration fee for each cheque given to the Mortgagee by the Mortgagor or produced under the authorized chequing direction of the Mortgagor, or for each authorized direct debit to an account of the Mortgagor which is dishonoured or not accepted by the financial institution; (iv) an administration fee for placement of insurance coverage upon cancellation or lapse of a policy of insurance or the neglect or failure of the Mortgagor to provide evidence of replacing coverage; and (v) a processing fee on repayment of the Mortgage (to the extent not prohibited by law), it being agreed between the Mortgagor and the Mortgagee that the amount of each such fee is a liquidated amount to cover the administrative costs of the Mortgagee and not a penalty.

32. **MORTGAGEE'S EXPENSES**

The Mortgagor agrees to pay the reasonable and necessary costs, charges, fees and expenses of and incidental to this Mortgage and any and all other documents required in connection herewith, and of any amendment, extension, variation or renewal thereof, and of anything done in connection with the enforcement of the security granted by this Mortgage or the procuring of the payment of any amount payable under this Mortgage including, without limiting the generality of the foregoing, all legal fees on a solicitor and its own client basis, costs and expenses of examination of title, and the obtaining of the opinion of counsel for the Mortgagee thereon and all costs and expenses of valuing the Mortgaged Premises in connection with the foregoing and of anything done in connection with defending the validity or priority of this Mortgage as against third parties. The Mortgagor further agrees that such amounts shall be paid forthwith upon demand and until paid shall bear interest at the Mortgage Interest Rate and shall be a charge on the Mortgaged Premises.

33. **DISCHARGE**

The Mortgagee shall have a reasonable time after payment of the amounts secured by this Mortgage in full within which to prepare and execute a discharge or assignment of this Mortgage; provided that interest at the Mortgage Interest Rate shall continue to run and accrue until actual payment in full has been received by the Mortgagee. All legal and other expenses for the preparation, execution and registration of such discharge or assignment shall be borne by the Mortgagor (to the extent not prohibited by law).

34. **PARTIAL RELEASE**

The Mortgagee may at any time release any part or parts of the Mortgaged Premises or any other security or surety for payment of all or any part of the amounts hereby secured or may release the Mortgagor or any other person from any covenant or other liability to pay such amounts or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Mortgagee, and without thereby releasing any other part of the Mortgaged Premises, or any other securities or covenants herein contained, it being agreed that notwithstanding any such release, the lands, securities and covenants remaining unreleased shall stand charged with the whole of the monies secured by this Mortgage.

35. **PREAUTHORIZED DEBITS**

The Mortgagor agrees that all payments to be made under this Mortgage shall, unless otherwise agreed to by the Mortgagee, be made by preauthorized debits from an account in the name of the Mortgagor held at a branch of the Mortgagee and that the Mortgagor shall execute any documents required to permit the preauthorized debits.

36. **COMMITMENT LETTER AND ASSIGNMENT BY MORTGAGEE**

The provisions set forth in any commitment letter or other agreement between the Mortgagor and the Mortgagee relating to the loan secured by this Mortgage will not merge with this Mortgage but shall survive the execution, delivery and registration of this Mortgage.

The Mortgagor acknowledges that the Mortgagee may transfer or assign this Mortgage without notice to the Mortgagor. In addition, the Mortgagee may syndicate, securitize or grant participation interests in the Mortgage. The Mortgagor and the Guarantor, if any, agree that the Mortgagee may disclose to a third party any information relating to this Mortgage, including financial information relating to the Mortgaged Premises, the Mortgagor or the Guarantor as may be required in order to effect the aforementioned transactions.

37. **GUARANTOR**

In consideration of the Mortgagee making loans, accommodations, advances or other extensions of credit to the Mortgagor, each Guarantor hereby agrees with the Mortgagee as follows:

Each Guarantor hereby:

- (a) guarantees the payment on demand by the Mortgagor to the Mortgagee of all of the Principal Amount and other liabilities of the Mortgagor secured or payable under this Mortgage, present or future, direct or indirect, absolute or contingent, matured or not, including, without limitation, principal, interest, taxes, fees and expenses as and when the same are due and payable under this Mortgage (the "Guaranteed Amounts"), and
- (b) covenants and agrees to perform on demand all other covenants and obligations of the Mortgagor under this Mortgage as and when the same are required to be observed or performed under this Mortgage (the "Guaranteed Covenants"),

provided that if the Schedule indicates that there is a maximum principal amount for which the Guarantor is liable, the liability of the Guarantor under this Guarantee (as defined below) in respect of the Guaranteed Amounts shall be limited to such maximum principal amount, together with interest after the date of demand for payment at the Mortgage Interest Rate, and any legal costs (on a solicitor and its own client basis) and expenses incurred in recovering or attempting to recover amounts under this Guarantee.

The obligations of the Mortgagor to pay the Guaranteed Amounts and perform and observe the Guaranteed Covenants are hereinafter collectively referred to as the "Guaranteed Obligations", and this guarantee is hereinafter referred to as the "Guarantee".

If there is more than one Guarantor, the obligations of the Guarantors under this Guarantee shall be joint and several and any reference herein to "the Guarantor" is to each and every such Guarantor.

If any monies or amounts expressed to be owing or payable under this Guarantee by the Guarantor are not recoverable from the Guarantor, or any of them, on the footing of a guarantee for any reason whatever, such monies or amounts may be recovered from the Guarantor, or any of them, as a primary obligor and principal debtor in respect of such monies or amounts, regardless of whether such monies or amounts are recoverable from the Mortgagor or would be payable by the Mortgagor to the Mortgagee. For greater certainty, but without restricting the generality of the foregoing, if the Mortgagee is prevented or restricted from exercising its rights or remedies with respect to any of the Guaranteed Obligations, including, without limitation, the right of acceleration, the right to be paid interest at the Mortgage Interest Rate in respect of the Guaranteed Obligations or the right to enforce or exercise any other right or remedy with respect to the Guaranteed Obligations, the Guarantor agrees to pay the amount that would otherwise have been due and payable had the Mortgagee been permitted to exercise such rights and remedies in accordance with the terms agreed to between the Mortgagor and Mortgagee; provided, however, that the foregoing characterization of the liability of the Guarantor as that of a primary obligor and principal debtor is not intended and shall not be interpreted to confer on the Guarantor, or any of them, any right, benefit or advantage that the Guarantor would not otherwise have in the absence of such characterization.

Without giving notice to or obtaining the consent or concurrence of any Guarantor, the Mortgagee may:

- (a) grant any time, indulgences, waivers or extensions of time for payment of any of the Guaranteed Obligations;

- (b) grant any renewals or extensions of this Mortgage with or without a change in the Mortgage Interest Rate or in any other terms or conditions of this Mortgage and whether by express agreement signed by the Mortgagor or otherwise;
- (c) change the interest rate provided in this Mortgage, either during the initial term of this Mortgage or in any subsequent extension or renewal term, whether by way of increase, decrease, or change in the reference rate by which the interest rate is calculated or determined; change from a fixed rate to a variable or floating rate, or from a variable or floating rate to a fixed rate, or otherwise;
- (d) change the amortization of this Mortgage, whether by way of increase or decrease;
- (e) otherwise amend, supplement, modify, vary or otherwise change any of the terms or conditions of this Mortgage in any manner whatever;
- (f) release or discharge from this Mortgage the whole or any part of the Mortgaged Premises;
- (g) accept compositions, compromises or proposals from the Mortgagor or otherwise deal with the Mortgagor or any other person (including without limitation, the Guarantor or any other Guarantor of the Guaranteed Obligations), any security (including, without limitation, this Mortgage) or the Mortgaged Premises as the Mortgagee sees fit, including, without limitation, realizing on, releasing, accepting substitutions for or replacing any of the security for the Guaranteed Obligations;
- (h) release or discharge any Guarantor or one or more other co-covenantors or Guarantors or Mortgagors in respect of this Mortgage whether under this Guarantee or otherwise; or
- (i) release any subsequent legal or beneficial owner of the Mortgaged Premises from any liability for the Guaranteed Obligations, or any of them, or refrain from requiring any such owner to assume any such liability;

and none of the foregoing actions shall in any way lessen, limit or otherwise affect the obligations or liability of any Guarantor under this Guarantee, regardless of whether any such action has the effect of amending or varying this Mortgage or increasing, expanding or otherwise altering the nature, effect, term, extent or scope of the Guaranteed Obligations. The Guaranteed Obligations and the liability of each Guarantor under this Guarantee shall extend to and include the obligations of the Mortgagor under this Mortgage as so amended, renewed, extended, or varied and the Guaranteed Obligations as so increased, expanded or altered without further action on the part of the Mortgagee or the consent or concurrence of any Guarantor; and for greater certainty and without limiting the foregoing, if the interest rate provided in this Mortgage is increased or otherwise altered, the Guaranteed Obligations and the liability of each Guarantor under this Guarantee shall be extended to and include the obligation of the Mortgagor to pay interest at such increased or altered rate.

The obligations of the Guarantor under this Guarantee shall be unaffected by:

- (a) any lack or limitation of status or power, disability, incapacity, death, dissolution or other circumstances relating to the Mortgagor, any Guarantor or any other party;
- (b) any irregularity, defect, unenforceability or invalidity in respect of this Mortgage or any indebtedness, liability or other obligation of the Mortgagor or any other party;
- (c) any release or discharge of the Guaranteed Obligations, except by reason of their irrevocable payment and satisfaction in full;

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- (d) any judgment obtained against the Mortgagor, or the taking, enforcing, exercising or realizing on, or refusing or neglecting to take, enforce, exercise or realize on, or negligence in taking, enforcing, exercising or realizing on, any security (including without limitation any money on deposit and any guarantee) or any right or remedy, from or against the Mortgagor or any other party or their respective assets or releasing or discharging, or failing, refusing or neglecting to maintain, protect, renew or perfect, any security (including without limitation any money on deposit or any guarantee) or any right or remedy;
 - (e) any change in the name, control, objects, business, assets, capital structure, or constitution of the Mortgagor or any Guarantor, or any merger or amalgamation of the Mortgagor or any Guarantor whether or not under the laws of a jurisdiction other than the jurisdiction under which the Mortgagor or Guarantor was originally formed, or any change in the membership of the Mortgagor or any Guarantor, if a partnership, through the death, retirement or introduction of one or more partners, or otherwise; and each reference to the "Mortgagor" or the "Guarantor" in this Mortgage will be deemed to include each corporation and each partnership resulting from any of the foregoing;
 - (f) any law, regulation or decree now or hereafter in effect which might in any manner affect any of the terms or provisions of this Mortgage or this Guarantee, or the Mortgagor or any Guarantor;
 - (g) any failure on the part of the Mortgagee to perfect, maintain or enforce its rights whether due to its default, negligence or otherwise on the part of the Mortgagee with respect to this Mortgage, or any other security granted to the Mortgagee relating to this Mortgage; and
 - (h) any other circumstances whatsoever (with or without notice to or the knowledge of the Guarantor) which may or might in any manner or to any extent vary the risk of the Guarantor under this Guarantee, or might otherwise constitute a legal or equitable discharge of a surety or guarantor;

it being the purpose and intent of each Guarantor that the liabilities and obligations of each Guarantor under this Guarantee shall be absolute and unconditional under any and all circumstances.

Unless and until all Guaranteed Obligations have been irrevocably paid and satisfied in full and the Mortgagee shall have no further obligation to advance any further monies to the Mortgagor, the Guarantor shall not be subrogated to any of the rights or claims of the Mortgagee in respect of any of the Guaranteed Obligations, or under any security agreement or guarantee or other instrument which may at any time be held by or on behalf of the Mortgagee, and the Guarantor shall not seek any reimbursement from the Mortgagor.

The obligations of the Guarantor under this Guarantee shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment which would otherwise have reduced the obligations of the Guarantor or any of them under this Mortgage (whether such payment shall have been made by or on behalf of the Mortgagor or the Guarantor or any of them) is rescinded, or is reclaimed from the Mortgagee, upon the insolvency, bankruptcy, liquidation, dissolution or reorganization of the Mortgagor or the Guarantor or any of them, or for any other reason.

The Mortgagee shall have no obligation to enforce any rights or remedies or security or guarantees or to take any other steps against the Mortgagor or any other party or any assets of the Mortgagor or any other party before being entitled to demand payment or performance by any Guarantor of its obligations under this Guarantee. Each Guarantor hereby waives all benefit of discussion and division.

Any Guarantor may, by notice in writing delivered to the Mortgagee at the address for service stated in this Mortgage, terminate the Guarantor's liability under this Guarantee with effect from and after the date (the "Termination Date") that is thirty (30) days following the date of such notice in respect of Guaranteed Obligations incurred or arising at any time on or after the Termination Date but not in respect of any Guaranteed Obligations incurred, arising or existing before the Termination Date, even though not then matured. Notwithstanding the foregoing, the Mortgagee may fulfill any requirements of the Mortgagor under this Mortgage or any advance of all or part of the Principal Amount requested by the Mortgagor prior to the receipt of such notice and any liabilities of the Mortgagor resulting from such fulfillment shall be added to the Guaranteed Obligations and shall be secured by this Mortgage and by this Guarantee. Termination of the liability of one or more of the Guarantors shall not affect the liability of any other Guarantor.

Each Guarantor shall indemnify and save harmless the Mortgagee from and against all losses, damages, costs and expenses which the Mortgagee may sustain, incur or become liable for by reason of:

- (a) the failure, for any reason whatever, of the Mortgagor to pay any amounts expressed to be payable pursuant to the provisions of this Mortgage, regardless of whether the Mortgagor's obligation to pay such amounts is valid or enforceable against the Mortgagor;
- (b) the failure, for any reason whatever, of the Mortgagor to perform any other obligation under this Mortgage; or
- (c) any act, action or proceeding of or by the Mortgagee for or in connection with the recovery of such amounts or the performance of such obligations.

This Guarantee shall be operative and binding upon every Guarantor hereto upon execution and delivery of this Mortgage by such Guarantor regardless of whether it has been executed by any other proposed Guarantor or Guarantors.

38. LEASEHOLD PROVISIONS

If the interest of the Mortgagor in the Mortgaged Premises or any part thereof derives from a lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license of the Mortgaged Premises or such part thereof (such lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license including any renewal, extension, modification, replacement or assignment thereof is hereinafter collectively called the "Lease"), then the following additional provisions apply with respect to such interest:

- (a) all references herein to "Mortgaged Premises" shall include all right, title and interest of the Mortgagor from time to time in and to the Lease and the lands and premises demised under the Lease, including any greater right, title or interest therein or in any part thereof acquired after the date of the Mortgage;
- (b) the Mortgagor grants, mortgages, demises, sub-leases and charges to the Mortgagee all estate, term, right, title and interest of the Mortgagor in and to the Lease and the Mortgaged Premises, together with any and all other, further or additional title, estate, interest or right therein or any part thereof which may at any time be acquired by the Mortgagor in or to the lands and premises demised by the Lease during the Term of the Mortgage, together with the Lease and all right, title and interest of the Mortgagor in the Lease and all benefit and advantage therefrom for the Mortgagee including any right or option to purchase or to lease contained therein, to have and to hold for and during the remainder of the term of the Lease, save and except the last day thereof (the

"Reversion"), as security for the payment to the Mortgagee of the Principal Amount, interest on such amounts and all other amounts secured by the Mortgage and for the performance of all liabilities and obligations secured by the Mortgage upon the terms set out in the Mortgage;

(c) the Mortgagor represents and warrants to the Mortgagee as follows:

- (i) the Mortgagor has good leasehold title to the Mortgaged Premises free and clear of any liens, charges and other encumbrances except those specifically approved in writing by the Mortgagee;
- (ii) the Lease is, at the time of execution and delivery of the Mortgage, a good, valid and subsisting lease and has not been surrendered or forfeited or become void or voidable and the Mortgagor has not done or failed to do any act as a result of which the Lease would be rendered invalid or its validity impaired;
- (iii) there have been no modifications to the Lease that have not been provided to the Mortgagee;
- (iv) the rents, covenants and conditions contained in the Lease have been duly paid, observed and performed by the Mortgagor up to the date of the Mortgage;
- (v) the Mortgagor has a good right, full power and lawful and absolute authority to demise and sublet the Lease to the Mortgagee (subject to the consent, if necessary, of the appropriate governmental authority if the Mortgaged Premises are located within a national or provincial park); and
- (vi) if the Mortgaged Premises are located within a national or provincial park, the Lease contains all terms necessary in order for the appropriate governmental authority to consent, if necessary, to the mortgage of the Lease, in the manner aforesaid;

(d) the Mortgagor covenants and agrees with the Mortgagee as follows:

- (i) the Mortgagor shall stand possessed of the Reversion in trust for the Mortgagee to assign and dispose of the Reversion in such manner as the Mortgagee shall by notice in writing direct (subject to the right of redemption in the Mortgage) and for one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Mortgagor, the Mortgagor hereby irrevocably appoints the Mortgagee to be the attorney of the Mortgagor to assign the term of the Lease as the Mortgagee shall at any time direct;
- (ii) the Mortgagor, at the request of the Mortgagee but at the cost, charge and expense of the Mortgagor, will grant and assign to the Mortgagee, or to whomever the Mortgagee may appoint, the Reversion or any renewal or substituted term of the Lease;
- (iii) the Mortgagor shall pay the rent reserved by and other amounts due under the Lease and shall observe and perform each and every covenant, agreement, condition and proviso contained in the Lease and shall not be guilty of any acts or default which may cause the Lease to be forfeited or determined and the Mortgagor shall indemnify the Mortgagee against all actions, claims and demands whatsoever in respect of the rent and covenants or anything relating thereto;

- (iv) the Mortgagor shall not, during the continuance of the Mortgage, transfer, assign, sub-lease, surrender or terminate the Lease or any of its rights or interest in the Lease;
- (v) the Mortgagor shall not, during the continuance of the Mortgage, enter into any agreement purporting to modify, alter or amend the Lease, without the prior written consent of the Mortgagee;
- (vi) the Mortgagor shall not allow any options (to renew or otherwise) or any rights of first refusal under the Lease to lapse and subject to any contrary directions from the Mortgagee, shall exercise any such options or rights so as to maintain or continue the term of the Lease for the whole of the period during which any debts or liabilities secured by the Mortgage remain outstanding;
- (vii) any breach or default under the Lease shall be deemed to be a default under the Mortgage entitling the Mortgagee to demand repayment of all amounts then secured by the Mortgage;
- (viii) if the Mortgagor becomes the owner of the freehold of the lands and premises demised by the Lease, the Mortgage shall increase to be a mortgage of the freehold interest in the lands and premises demised by the Lease to the same extent and effect as if the Mortgagor had been the owner of the freehold, free from encumbrances, at the date the Mortgage took effect. To give effect to the foregoing the Mortgagor does hereby grant and mortgage the freehold interest in the Mortgaged Premises unto the Mortgagee, such grant to take effect upon the Mortgagor acquiring freehold title to the said Mortgaged Premises. The Mortgagor covenants and agrees to execute and deliver at the Mortgagor's expense, forthwith on demand therefor, such further and other documents as the Mortgagee may reasonably require for the purpose of validly giving effect to the foregoing;
- (ix) the Mortgagor shall immediately notify the Mortgagee of any notice or advice from the lessor under the Lease of the lessor's intention to terminate the Lease prior to the expiration of the term of the Lease or any other notice or request received from the lessor;
- (e) any reference in the Mortgage to any charges payable in respect of the Mortgaged Premises shall include all taxes, assessments, rates, costs or charges of whatever kind payable by the Mortgagor under the Lease and if any amounts are paid by the Mortgagee in respect of amounts owing under the Lease such amounts shall be a lien against the Mortgaged Premises, shall bear interest at the Mortgage Interest Rate and shall be secured by the Mortgage;
- (f) in the event of any default in any payment of rent or other monies due under the Lease or in the performance or observance of any covenant, agreement, condition or proviso contained in the Lease, the Mortgagee shall, at its option but without incurring any liability to do so, be at liberty to pay such rent or to observe or perform such covenant, agreement, condition or proviso, as the case may be, and all money expended by the Mortgagee in so doing shall be payable forthwith by the Mortgagor to the Mortgagee, shall bear interest at the Mortgage Interest Rate and shall be a lien on the Mortgaged Premises secured by the Mortgage; and
- (g) in consideration of the sum of one dollar and other good and valuable consideration, now paid by the Mortgagee to the Mortgagor, the receipt and sufficiency of which is hereby acknowledged by the Mortgagor, the Mortgagor hereby irrevocably appoints the Mortgagee to be the attorney of the Mortgagor to enforce any covenants of the tenant

under the Lease and to exercise any options to renew the Lease in the Mortgagee's discretion.

39. **SEVERABILITY OF ANY INVALID PROVISIONS**

If at any time any provision of this Mortgage is illegal or invalid under or inconsistent with the provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Mortgagee unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Mortgage which it would otherwise be able to collect under such statute, regulation or other applicable law then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Mortgagee unable to collect the amount of any such loss.

40. **HEADINGS**

The paragraph headings in this Mortgage are inserted for convenience of reference only and are deemed not to form part of this Mortgage and are not to be considered in the construction or interpretation of this Mortgage or any part thereof.

41. **INTERPRETATION**

In this Mortgage the expression "the Mortgagor" includes the heirs, executors, administrators, successors and assigns of the Mortgagor and the expression "the Mortgagee" includes the successors and assigns of the Mortgagee, and words in the singular include the plural and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires; and all covenants, liabilities and obligations entered into or imposed under this Mortgage upon each Mortgagor shall be joint and several and shall be equally binding upon his, her, its or their respective heirs, executors, administrators, successors and assigns. Furthermore, all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagee are equally secured to and exercisable by its successors and assigns.

42. **NATIONAL HOUSING ACT**

If this mortgage is insured by the Canada Mortgage and Housing Corporation, this Mortgage shall also be governed by the provisions of the *National Housing Act*, R.S.C. 1985, c.N-11, as amended or replaced from time to time.



2404122

032043007 REGISTERED 2003 02 03
MORS - STANDARD FORM MORTGAGE
DOC 1 OF 1 DRR#: 0779502 ADR/EDMPORTE
NO LAND AFFECTED

This is Exhibit "H" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

H.W.

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

Date: November 26, 2025

Account: 10022143

The information displayed below is the most recent information for the tax year indicated at the time of this request.

Property Address: 9266 34 AVENUE NW EDMONTON AB T6E 5P2

Legal Description: Plan: 0424262 Unit: 6

Assessed Parcel:

Mortgage Company Billed: No

Monthly Payment Plan: No

Valuation Group: RETAIL CONDOMINIUM

Community Revitalization Levy Area:

Owner Name:

Owner Address:

Remarks:

Assessment Year: 2025

Assessment: 852,500

Year Built: 1998

Land Use Description

Tax Class

Taxable Status

209 Retail condominium

COMMERCIAL

100%

209: (100%): FULLY TAXABLE JAN-2025 TO DEC-2025

Property Tax		Account Status	
Prior Year: 2024		Tax Arrears:	\$0.00
Taxes:	\$19,331.28	Penalty:	\$0.00
Annual Local Improvements:	\$0.00	Arrears Sub-Total:	\$0.00
Annual CEIP:	\$0.00	Current Taxes:	\$24,085.33
Total Prior Year Taxes:	\$19,331.28	Penalty:	\$3,612.80
Current Year: 2025		Current Sub-Total:	\$27,698.13
Taxes:	\$24,102.21	Other Charges:	\$2,775.12
Annual Local Improvements:**	\$0.00	Penalty:	\$0.48
Annual CEIP:	\$0.00	Other Charges Sub-Total:	\$2,775.60
Total Current Year Taxes:	\$24,102.21	Total Balance Owing on Nov 26, 2025	\$30,473.73

Disclaimer: The balance on this report is conditional upon all payments clearing the City's and the payer's bank. In the event that any such payment is rejected or is not completed, or additional charges are incurred in the clearing of a payment, the amount of the payment and any additional charges incurred will be added to the account without further notice. The City of Edmonton accepts no liability from the reliance of any party on the contents of this report. Individuals who require certification of the current amount of taxes imposed, or the total amount of taxes owing should request a Tax Certificate from the City of Edmonton. (Errors and Omissions excepted).

** For information on newly constructed or proposed local improvements that may affect the property, contact 311 (780-442-5311 if outside Edmonton).

**This is Exhibit "I" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.**



**A Commissioner for Oaths in
and for the Province of Ontario**

H.W.

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.



Reply to the Attention of: Kourtney Rylands
Direct Line: 403.355.3326
Email Address: kourtney.rylands@mcmillan.ca
Our File No.: 320592
Date: September 24, 2025

DELIVERED BY COURIER

1654286 Alberta Ltd.
9133 35 Avenue NW
Edmonton, AB T6E 5Y1

Dear Sir/Madam,

**Re: Commitment Letter dated November 5, 2021 (the "Loan Agreement")
between 1654286 Alberta Ltd. (the "Borrower") and Royal Bank of
Canada (the "Bank")**

We are counsel for the Bank with respect to the above-referenced matter.

The Borrower is in default under the Loan Agreement by reason of, among other things, its failure to pay all sums of money when due and failure to pay property taxes which has resulted in property tax arrears.

On behalf of the Bank, we hereby demand payment by the Borrower of all amounts outstanding under the Loan Agreement, along with any additional amounts for which the Borrower may become liable from time to time, under the Loan Agreement or any personal deposit account agreement between the Bank and the Borrower.

In particular, we hereby demand payment of \$764,748.60 on account of principal and interest outstanding under the Loan Agreement as at September 18, 2025, which is due and payable in full, together with additional accrued and unpaid interest, fees, costs, expenses, and any other indebtedness under or in connection with the Loan Agreement. Interest will continue to accrue on the outstanding amounts in accordance with the Loan Agreement.

As security for the indebtedness and liabilities of the Borrower under the Loan Agreement, the Bank holds certain security including, without limitation, the security set out in Schedule "A" hereto (the "**Security**"). On behalf of the Bank, we hereby declare that all of the obligations of the Borrower to the Bank pursuant to the Security are now immediately due and payable.

Please be advised that, if payment or arrangements satisfactory to the Bank for payment are not made forthwith, the Bank will take such further steps as it deems necessary

to recover the outstanding amounts owing to the Bank. Those steps may include the enforcement of the Security or the appointment of a receiver.

We enclose herewith a Notice of Intention to Enforce Security addressed to the Borrower and issued pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (the "**Notice**"). We also enclose herewith Consent to the Bank enforcing the Security prior to the expiry of the 10-day period referred to in the Notice. On behalf of the Bank, we hereby request that the Borrower execute the Consent and return it to the attention of the undersigned at the Borrower's earliest convenience. The Bank reserves its rights to proceed with the enforcement of the Security at any time prior to the time period specified in the enclosed Notice in those circumstances where such earlier enforcement may be permitted by law.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Rylands', is positioned above the printed name.

Kourtney Rylands

Encl.

SCHEDULE "A"
SECURITY

1. Site Specific Security Agreement between the Bank and 1654286 Alberta Ltd. dated January 7, 2022;
2. Commercial Mortgage between the Bank and 1654286 Alberta Ltd. in the principal amount of \$810,000 dated January 7, 2022;
3. Assignment of Rents between the Bank and 1654286 Alberta Ltd. dated January 7, 2022; and
4. Guarantee of Mortgage executed by Kapil Sharma in favour of the Bank signed January 7, 2022.

Notice of Intention to Enforce Security

(Rule 124)

To: 1654286 Alberta Ltd. (the "**Debtor**"), an insolvent person

Take notice that:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the Debtor's property described in Schedule "A" attached hereto.
2. The security that is to be enforced is in the form of the security listed in Schedule "B" attached hereto (the "**Security**").
3. The total amount of indebtedness secured by the Security, as of September 18, 2025, is \$764,748.60 together with additional accrued and unpaid interest and fees, costs, and expenses.
4. The Bank will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta, September 24, 2025.

ROYAL BANK OF CANADA, by its solicitors
McMillan LLP

Per:



Kourtney Rylands
McMillan LLP

SCHEDULE "A"
DESCRIPTION OF COLLATERAL

1. All of Debtor's present and after acquired personal property consisting of all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) now or hereafter situate on, used in connection with or arising from the business or affairs carried on, at or about the real property located at or about 9266 34 Avenue NW, Edmonton, Alberta T6E 2P2 and legally described as CONDOMINIUM PLAN 0424262 UNIT 6 AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS (the "**Mortgaged Property**") and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "**Collateral**"), and as further general and continuing security for the Debtor's indebtedness to the Bank the Debtor hereby assigns the Collateral to the Bank and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to the Bank. The Security Interest hereby created shall include such assignment, mortgage and charge. Without limiting the generality of the foregoing, the Collateral includes all of the following now owned or hereafter owned or acquired by or on behalf of Debtor now or hereafter situate on, used in connection with or arising from the business or affairs carried on at the Mortgaged Property or the business or operations of the Debtor related to the Mortgaged Property:
 - (a) all inventory of whatever kind;
 - (b) all equipment (other than Inventory) of whatever kind, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
 - (c) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor;
 - (d) all lists, records and files relating to Debtor's customers, clients and patients; and
 - (e) all property now or hereafter described in Schedule "C" to the Site Specific Security Agreement dated January 7, 2022 between Royal Bank of Canada and the Debtor.

2. Commercial Mortgage in the principal amount of \$810,000 dated January 7, 2022 and Assignment of Rents dated January 7, 2022 between the Bank and 1654286 Alberta Ltd. for the property legally described as:

CONDOMINIUM PLAN 0424262

UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

SCHEDULE "B"
SECURITY

1. Site Specific Security Agreement between the Bank and 1654286 Alberta Ltd. dated January 7, 2022;
2. Commercial Mortgage between the Bank and 1654286 Alberta Ltd. in the principal amount of \$810,000 dated January 7, 2022;
3. Assignment of Rents between the Bank and 1654286 Alberta Ltd. dated January 7, 2022; and
4. Guarantee of Mortgage executed by Kapil Sharma in favour of the Bank signed January 7, 2022.

CONSENT AND WAIVER

TO: **Royal Bank of Canada**
(the "**Secured Creditor**")

FROM: 1654286 Alberta Ltd.
(the "**Debtor**")

DATE: _____, 20__

The Debtor hereby acknowledges receipt of a Notice of Intention to Enforce Security (the "**Notice**") issued by the Secured Creditor pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* in respect of the security granted by the Debtor in favour of the Secured Creditor. A copy of the Notice is attached as Exhibit "A".

The Debtor hereby consents to the Secured Creditor enforcing the security described in the Notice prior to the expiry of the 10-day period referred to in the Notice or at any time thereafter. The Debtor hereby waives all cure periods to which it may be entitled under the Security (as that term is defined in the Notice).

1654286 ALBERTA LTD.

By: _____
Name:
Title:

EXHIBIT "A"

See Attached

Notice of Intention to Enforce Security

(Rule 124)

To: 1654286 Alberta Ltd. (the "**Debtor**"), an insolvent person

Take notice that:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the Debtor's property described in Schedule "A" attached hereto.
2. The security that is to be enforced is in the form of the security listed in Schedule "B" attached hereto (the "**Security**").
3. The total amount of indebtedness secured by the Security, as of September 18, 2025, is \$764,748.60 together with additional accrued and unpaid interest and fees, costs, and expenses.
4. The Bank will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta, September 24, 2025.

ROYAL BANK OF CANADA, by its solicitors
McMillan LLP

Per:



Kourtney Rylands
McMillan LLP

SCHEDULE "A"
DESCRIPTION OF COLLATERAL

1. All of Debtor's present and after acquired personal property consisting of all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) now or hereafter situate on, used in connection with or arising from the business or affairs carried on, at or about the real property located at or about 9266 34 Avenue NW, Edmonton, Alberta T6E 2P2 and legally described as CONDOMINIUM PLAN 0424262 UNIT 6 AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS (the "**Mortgaged Property**") and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "**Collateral**"), and as further general and continuing security for the Debtor's indebtedness to the Bank the Debtor hereby assigns the Collateral to the Bank and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to the Bank. The Security Interest hereby created shall include such assignment, mortgage and charge. Without limiting the generality of the foregoing, the Collateral includes all of the following now owned or hereafter owned or acquired by or on behalf of Debtor now or hereafter situate on, used in connection with or arising from the business or affairs carried on at the Mortgaged Property or the business or operations of the Debtor related to the Mortgaged Property:
 - (a) all inventory of whatever kind;
 - (b) all equipment (other than Inventory) of whatever kind, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
 - (c) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor;
 - (d) all lists, records and files relating to Debtor's customers, clients and patients; and
 - (e) all property now or hereafter described in Schedule "C" to the Site Specific Security Agreement dated January 7, 2022 between Royal Bank of Canada and the Debtor.

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CONDOMINIUM PLAN 0424262

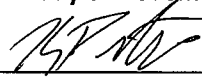
UNIT 6

AND 1218 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS

SCHEDULE "B"
SECURITY

1. Site Specific Security Agreement between the Bank and 1654286 Alberta Ltd. dated January 7, 2022;
2. Commercial Mortgage between the Bank and 1654286 Alberta Ltd. in the principal amount of \$810,000 dated January 7, 2022;
3. Assignment of Rents between the Bank and 1654286 Alberta Ltd. dated January 7, 2022; and
4. Guarantee of Mortgage executed by Kapil Sharma in favour of the Bank signed January 7, 2022.

This is Exhibit "J" referred to in the
Affidavit of Howard Wang
Sworn before me this 27th
day of November, 2025.



A Commissioner for Oaths in
and for the Province of Ontario

HW

Karel Peters, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2026.

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

1654286 ALBERTA LTD. and
KAPIL SHARMA

DOCUMENT

CONSENT TO ACT AS RECEIVER

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

McMillan LLP
#1700, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention: **Kourtney Rylands / Elayna Dushenski**
Telephone: (403) 355.3326 / (403) 351.8306
Fax: (403) 531.4720
Email: kourtney.rylands@mcmillan.ca /
elayna.dushenski@mcmillan.ca
File No. 320592

CONSENT TO ACT AS RECEIVER

BDO Canada Limited, a licensed trustee, hereby consents to be appointed as receiver and manager of certain assets and property of 1654286 Alberta Ltd. and any successor company thereto, in the within action.

Dated at the City of Hamilton, in the Province of Ontario, this 27th day of November, 2025.

BDO CANADA LIMITED

Per:



Christopher Mazur, CIRP, LIT
Partner/Senior Vice President
Authorized Signatory