This is the 1st affidavit
of Valerie Lock in this case
and was made on August 20, 2026

Court File No. VLC-S-S-265911
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

BDO CANADA LIMITED,
in its capacity as the Trustee of the Bankruptcy Estates of CRAIG ALLEN SMITH and ROBERT KYLE SMITH

PETITIONER

AND

BASTIAN HOLDINGS LTD., KRYSTLE HOLDINGS LTD., 1226745 B.C. LTD., SKAW PROPERTIES LTD., 207 – 53 WEST HASTINGS STREET HOLDINGS LTD., 1226734 B.C. LTD., 27222 LOUGHEED HIGHWAY LTD., and WHITEWATER STEELERS REINFORCING LTD.

RESPONDENTS

AFFIDAVIT

I, Valerie Lock, Director, Business Restructuring, c/o of 1100 – 505 Burrard Street, Vancouver, British Columbia, SWEAR THAT:

1. I am a Director, Business Restructuring, employed by Business Development Bank of Canada, and as such I have knowledge of the facts and matters deposed to in this Affidavit except where stated to be based upon information and belief, and where so stated, I verily believe them to be true

2. I am authorized by Business Development Bank of Canada ("**BDC**") to make this Affidavit. I have reviewed BDC's records, created and kept in the ordinary course of our business, in regards to the matters in this Petition, prior to swearing this Affidavit.

3. BDC is a financial institution wholly owned by the government of Canada and operating pursuant to the *Business Development Bank of Canada Act*, S.C. 1995, c.28.

4. I have read the Petition filed August 7, 2026 by BDO Canada Limited, in its capacity as the Trustee of the Bankruptcy Estates of Craig Allen Smith and Robert Kyle Smith ("**BDO**" or the "**Petitioner**").

5. Pursuant to a letter of offer to the Respondents, 27222 Lougheed Highway Holdings Ltd. ("**Lougheed**") and Skaw Properties Ltd. ("**Skaw**") dated August 23, 2019 and accepted by the Respondents Lougheed and Skaw on August 26, 2019 (the "**Letter of Offer**"), BDC agreed, subject to the conditions precedent set out therein, to advance (and subsequently did advance) the sum of $15,000,000.00 to the Respondents Lougheed and Skaw by way of loan (the "**Loan**") at its request, upon terms and conditions whereby the Respondents Lougheed and Skaw agreed to repay to BDC the sum of $15,000,000.00, and agreed to pay interest thereon at a rate per annum calculated in accordance with BDC's Floating Base Rate minus a variance of 0.75% per year, calculated and compounded monthly, not in advance.

6. The terms and conditions of the Loan included, among other things, six (6) Guarantees, six (6) General Security Agreements, mortgages over two (2) properties and an equitable mortgage agreement by the Respondents Lougheed and Skaw charging all of the beneficial owner's interest in real property and personal property located at 27222 Lougheed Highway, Maple Ridge BC, referred to as "Lougheed Lands" as set out below.

7. The BDC mortgages were registered against the following two properties:

   (i) PID 023-895-128
   Lot 3, District Lot 67, Group 1, New Westminster District, Plan LMP 35071,
   being property and buildings located at 145 Golden Drive, Coquitlam, BC (the "Golden Lands") and

   (ii) PID: 024-337-285
   Parcel 1, District Lot 433, Group 1, New Westminster District Plan LMP 39524
   being property and buildings located at 2722 Lougheed Highway, Maple Ridge, BC (the "Lougheed Lands").

8. The Respondent Lougheed is the registered owner of the Lougheed Lands as trustee for the beneficial owner, being the Respondent Skaw.

9. One of the guarantors of the Loan, being 145 Golden Drive Ltd. ("**Golden**") was the owner of the Golden Lands.

10. Pursuant to a letter of offer dated August 23, 2019 to Golden and accepted by Golden and Lougheed and Skaw, among others, as guarantors on August 26, 2019, BDC agreed, subject to the conditions precedent set out therein, to advance (and subsequently did advance) the sum of $12,000,000.00 to the Golden by way of loan ("**Second Loan**") at its request, upon terms and conditions whereby Golden and the Respondents Lougheed and Skaw as guarantors, among others, agreed to repay BDC the sum of $12,000,000, and all agreed to pay interest thereon at a rate per annum calculated in accordance with BDC's Floating Base Rate minus a variance of 0.75% per year, calculated and compounded monthly, not in advance.

11. The terms and conditions of the Second Loan included, among other things, seven (7) Guarantees, six (6) General Security Agreements, mortgages over the Golden Lands and the Lougheed Lands, and a beneficial charge agreement charging all Skaw's beneficial interest in the Lougheed Lands.

12. Pursuant to a letter of offer dated July 15, 2022 to Whitewater Concrete Ltd. ("**Whitewater**") and accepted by Whitewater and Lougheed, Skaw and Golden, among others, as guarantors on July 20, 2022. BDC agreed, subject to the conditions precedent set out therein, to advance (and subsequently did advance) the sum of $3,367,200 to Whitewater by way of loan ("**Third Loan**") at its request, upon terms and conditions whereby Whitewater and the Respondents Lougheed and Skaw as guarantors, and Golden as guarantor, among others, agreed to repay BDC the sum of $3,367,200, and all agreed to pay interest thereon at a rate per annum calculated in accordance with BDC's Floating Base Rate minus a variance of 1.5% per year, calculated and compounded monthly, not in advance.

13. The terms and conditions of the Third Loan included, among other things, seven (7) Guarantees, six (6) General Security Agreements, mortgages over the Golden Lands and

the Lougheed Lands, and a beneficial charge agreement charging all Skaw's beneficial interest in the Lougheed Lands.

14. Now produced and shown to me and marked as **Exhibit "A"** to this my Affidavit is a true copy of the mortgage registered by BDC against the Lougheed Lands, which was registered in the New Westminster Land Title Office on September 30, 2018 under Nos. CA7778099 and CA7778100.

15. Now produced and shown to me and marked as **Exhibit "B"** to this my Affidavit is a true copy of the Equitable Mortgage and Estoppel Agreement dated September 30, 2019.

16. Now produced and shown to me and marked as **Exhibit "C"** to this my Affidavit is a true copy of a Declaration of Bare Trust and Agency Agreement dated September 30, 2019 between Lougheed and Skaw.

17. The Loan, Second Loan and Third Loan are in default and BDC issued demands and a Notice of Intention to Enforce Security on September 9, 2024 and July 10, 2026. The deadline passed and the Loan, Second Loan and Third Loan were not repaid.

18. On or about July 2, 2024, a receiver was appointed over the property, assets and undertakings of certain parties, including Whitewater and Golden. The receiver sold the Golden Lands and distributed payment to BDC to pay out the Second Loan, the Third Loan and a portion of the Loan.

19. As at July 5, 2026, the amount of $5,257,111.04, plus accruing interest and legal fees, are outstanding in respect to the Loan.

20. On or about October 27, 2025, the second mortgagees in respect to the Lougheed Lands obtained an Order Nisi in BCSC Action No. VLC-S-H250918, Vancouver Registry. Now produced and shown to me and marked as **Exhibit "D"** to this my Affidavit is a true copy of the Order Nisi.

21. The second mortgagees obtained an Order for conduct of sale of the Lougheed Lands on or about May 28, 2026. Now produced and shown to me and marked as **Exhibit "E"** to this my Affidavit is a true copy of the Order for Conduct of Sale.

22. I understand that there is an accepted contract of purchase and sale, subject to conditions, for the Lougheed Lands in an amount which more than exceeds the outstanding amount of the Loan.

23. On or about December 23, 2025, Golden was adjudged bankrupt and BDO Canada Limited was appointed trustee of the estate of Golden (the "**Trustee**").

24. On or about January 27, 2026, the Trustee commenced BCSC Action No. VLC-S-S-260580, Vancouver Registry ("**Golden Action**"), seeking, among other things, an equitable mortgage against the Lougheed Lands and a partial or full assignment of BDC's security against the debtors, including BDC's mortgage over the Lougheed Lands. Now produced and shown to me and marked as **Exhibit "F"** to this my Affidavit is a true copy of the Notice of Civil Claim in the Golden Action.

25. BDC filed a Response to Civil Claim on March 3, 2026 in the Golden Action opposing the Trustee's claim. Now produced and shown to me and marked as **Exhibit "G"** to this my Affidavit is a true copy of BDC's filed Response to Civil Claim in the Golden Action. Since then, the Trustee has taken no further steps in the Golden Action.

26. BDC intends to file a Petition to, among other things, seek the appointment of a receiver of rents in regards to the Lougheed Lands. To date, BDC has collected the rent for July and August 2026 for the Lougheed Lands. At the same time, it has paid for the Fortis, hydro and insurance charges. The appointment of a receiver will assist with the payment of the required taxes and other charges.

27. The Petitioner's application for an appointment of a receiver in respect to the property, assets and undertakings of Lougheed and Skaw in respect to the Lougheed Lands only is prejudicial to BDC in that:

(a) it may interfere with and unnecessarily complicate the existing accepted contract of purchase and sale (subject to conditions) on the Lougheed Lands, which will, if the sale completes, entirely satisfy the obligations under the Loan;

(b) it is not appropriate for the receiver appointed on the application of the Petitioner to receive any priority and a first charge for its fees and borrowings against the Lougheed Lands when the receiver has not taken any role in selling the Lougheed Lands, there is an existing Order for conduct of sale of the property in Action No. VLC-S-H250918, there is an accepted offer on the property (subject to conditions), and BDC has a valid first mortgage registered against the Lougheed Lands; and

(c) BDC intends to file a Petition to, among other things, seek the appointment of a receiver of rents in regards to the Lougheed Lands. The overlap between the work of this proposed receiver and the work of the receiver sought by the Petitioner herein is not significant. However, having two receivers may cause unnecessary and duplicative work, and thus increased costs. I expect that BDC's appointed receiver can work with the receiver sought to be appointed by the Petitioner herein with respect to the Lougheed Lands until the property is sold.

28. Since BDC will be seeking the appointment of a receiver, I expect that this receiver's fees and borrowings will have priority and a first charge over the Lougheed Lands. However, if the Petitioner's request for the appointment of a receiver in respect to the Lougheed Lands is granted, then there is a concern in that its appointed receiver will have priority to its fees and borrowings against the Lougheed Lands over that of the proposed receiver by BDC and in a situation where BDC has a first mortgage interest and the Petitioner does not.

29. To be clear, BDC opposes the application of the Petitioner for the appointment of a receiver in respect to the Lougheed Lands over which BDC has existing first mortgage security, which mortgage will be fully paid and the Loan satisfied if the accepted contract of purchase and sale of this property completes in accordance with the terms of that contract.

SWORN BEFORE ME at Calgary, Alberta, on the 20 day of August, 2026.	)
A commissioner for taking affidavits for Alberta.	)
STEVE WILLIAM ROTH A Commissioner for Oaths in and for Alberta My Commission Expires June 3, 2028	) VALERIE LOCK

1

This is Exhibit "**A**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

(2)

LAND TITLE ACT
FORM B (Section 225)

Sep-30-2019 11:01:08.001

CA7778099 CA7778100

MORTGAGE - PART 1 Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Tai-Lun Ying GX2PJG — Digitally signed by Tai-Lun Ying GX2PJG Date: 2019.09.30 10:05:26 -07'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Irving D. Laskin (Sheila Martin)
LAWSON LUNDELL LLP, Barristers & Solicitors
16th Floor - 925 West Georgia Street
Vancouver BC V6C 3L2
Document Fees: $148.32

Ph: 604-685-3456
LTO Client No. 010431
File No. 19904-147897
Document No. 17203672

Deduct LTSA Fees? Yes ☑

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [legal description]

024-337-285 **PARCEL 1 DISTRICT LOT 433 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP39524**

STC? YES ☐

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

27222 LOUGHEED HIGHWAY HOLDINGS LTD.

145 GOLDEN DRIVE
COQUITLAM BRITISH COLUMBIA
V3K 6T1 CANADA

Incorporation No
BC1222829

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

BUSINESS DEVELOPMENT BANK OF CANADA
HAVING ITS HEAD OFFICE IN MONTREAL, QUEBEC, WITH A BUSINESS CENTRE AT
SUITE 200 - 505 BURRARD STREET
VANCOUVER BRITISH COLUMBIA
CANADA V7X 1M3

5. PAYMENT PROVISIONS:

			Y	M	D
(a) Principal Amount: SEE SCHEDULE	(b) Interest Rate: SEE SCHEDULE	(c) Interest Adjustment Date: N/A			
(d) Interest Calculation Period: N/A	(e) Payment Dates: SEE SCHEDULE	(f) First Payment Date: N/A			
(g) Amount of each periodic payment: N/A	(h) *Interest Act* (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum.	(i) Last Payment Date: N/A			
(j) Assignment of Rents which the applicant wants registered ? YES ☑ NO ☐ If YES, page and paragraph number: Pages 8-9, Paragraph 7 D.F. MT060099	(k) Place of payment: POSTAL ADDRESS IN ITEM 4	(l) Balance Due Date: SEE SCHEDULE			

(3)

6. MORTGAGE contains floating charge on land ?
YES ☐ NO ☑

7. MORTGAGE secures a current or running account ?
YES ☑ NO ☐

8. INTEREST MORTGAGED:
Fee Simple ☑
Other (specify) ☐

9. MORTGAGE TERMS:
Part 2 of this mortgage consists of (select one only):
(a) Prescribed Standard Mortgage Terms ☐
(b) Filed Standard Mortgage Terms ☑ D F Number: MT060099
(c) Express Mortgage Terms ☐ (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

N/A

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)	Execution Date Y	M	D	Borrower(s) Signature(s)
SERENE S. Y. CHOW Barrister & Solicitor 700 - 595 BURRARD STREET P.O. BOX 49290 VANCOUVER, B.C. V7X 1S8 Tel: (604) 687-6789	19	09	27	27222 LOUGHEED HIGHWAY HOLDINGS LTD., by its authorized signatory: ROBERT KYLE SMITH

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT
FORM E

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

5. PAYMENT PROVISIONS

(a) Principal Amount:

This Mortgage secures payment, observance, performance and satisfaction of all of your present and future debts, liabilities and obligations to us (including all future advances and re-advances, interest, and interest on overdue interest), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed by you to us as principal, guarantor, indemnitor or otherwise, including all of your present and future debts, liabilities and obligations to us hereunder.

The following terms will have the following meanings in this Mortgage unless the context otherwise requires.

(i) **"Secured Obligations"** means all of the debts, liabilities and obligations referred to in this item 5(a).

(ii) **"We"**, **"our"** and **"us"** means or refers to Business Development Bank of Canada, its successors and assigns; and

(iii) **"You"** and **"your"** means or refers to each person described in item 3 of this Part 1 and includes any heirs, personal representatives, successors or permitted assigns of each person, as the case may be, whether immediate or derivative.

(b) Interest Rate:

Such rate or rates of interest as may be agreed to between you and us in writing from time to time with respect to the Secured Obligations, and payable after as well as before maturity, default and judgment.

(e) Payment Dates:

The dates when the Secured Obligations are required to be paid, observed, performed and satisfied.

(l) Balance Due Date:

The last of the dates on which the Secured Obligations are required to be paid, observed, performed and satisfied.

END OF DOCUMENT

(5)

LAND TITLE ACT
FORM B (Section 225)

MORTGAGE - PART 1 Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Irving D. Laskin (Sheila Martin)
LAWSON LUNDELL LLP, Barristers & Solicitors
16th Floor - 925 West Georgia Street
Vancouver BC V6C 3L2

Ph: 604-685-3456
LTO Client No. 010431
File No. 19904-147897
Document No. 17203672

Deduct LTSA Fees? Yes ☑

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID] [legal description]

024-337-285 **PARCEL 1 DISTRICT LOT 433 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP39524**

STC? YES ☐

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

27222 LOUGHEED HIGHWAY HOLDINGS LTD.

145 GOLDEN DRIVE
COQUITLAM BRITISH COLUMBIA
V3K 6T1 CANADA

Incorporation No
BC1222829

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

BUSINESS DEVELOPMENT BANK OF CANADA
HAVING ITS HEAD OFFICE IN MONTREAL, QUEBEC, WITH A BUSINESS CENTRE AT
SUITE 200 - 505 BURRARD STREET
VANCOUVER BRITISH COLUMBIA
CANADA V7X 1M3

5. PAYMENT PROVISIONS:

			Y	M	D
(a) Principal Amount: SEE SCHEDULE	(b) Interest Rate: SEE SCHEDULE	(c) Interest Adjustment Date: N/A			
(d) Interest Calculation Period: N/A	(e) Payment Dates: SEE SCHEDULE	(f) First Payment Date: N/A			
(g) Amount of each periodic payment: N/A	(h) *Interest Act* (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum.	(i) Last Payment Date: N/A			
(j) Assignment of Rents which the applicant wants registered ? YES ☑ NO ☐ If YES, page and paragraph number: Pages 8-9, Paragraph 7 D.F. MT060099	(k) Place of payment: POSTAL ADDRESS IN ITEM 4	(l) Balance Due Date: SEE SCHEDULE			

(6)

MORTGAGE – PART 1

6. MORTGAGE contains floating charge on land ?
YES ☐ NO ☑

7. MORTGAGE secures a current or running account ?
YES ☑ NO ☐

8. INTEREST MORTGAGED:
Fee Simple ☑
Other (specify) ☐

9. MORTGAGE TERMS:
Part 2 of this mortgage consists of (select one only):
(a) Prescribed Standard Mortgage Terms ☐
(b) Filed Standard Mortgage Terms ☑ D F Number: MT060099
(c) Express Mortgage Terms ☐ (annexed to this mortgage as Part 2)
A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

N/A

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)	Execution Date Y	M	D	Borrower(s) Signature(s)
SERENE S. Y. CHOW *Barrister & Solicitor* 700 - 595 BURRARD STREET P.O. BOX 49290 VANCOUVER, B.C. V7X 1S8 Tel: (604) 687-6789	19	09	27	27222 LOUGHEED HIGHWAY HOLDINGS LTD., by its authorized signatory ROBERT KYLE SMITH

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

(7)

LAND TITLE ACT
FORM E

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

5. PAYMENT PROVISIONS

(a) Principal Amount:

This Mortgage secures payment, observance, performance and satisfaction of all of your present and future debts, liabilities and obligations to us (including all future advances and re-advances, interest, and interest on overdue interest), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed by you to us as principal, guarantor, indemnitor or otherwise, including all of your present and future debts, liabilities and obligations to us hereunder.

The following terms will have the following meanings in this Mortgage unless the context otherwise requires.

(i) **"Secured Obligations"** means all of the debts, liabilities and obligations referred to in this item 5(a).

(ii) **"We"**, **"our"** and **"us"** means or refers to Business Development Bank of Canada, its successors and assigns; and

(iii) **"You"** and **"your"** means or refers to each person described in item 3 of this Part 1 and includes any heirs, personal representatives, successors or permitted assigns of each person, as the case may be, whether immediate or derivative.

(b) Interest Rate:

Such rate or rates of interest as may be agreed to between you and us in writing from time to time with respect to the Secured Obligations, and payable after as well as before maturity, default and judgment.

(e) Payment Dates:

The dates when the Secured Obligations are required to be paid, observed, performed and satisfied.

(l) Balance Due Date:

The last of the dates on which the Secured Obligations are required to be paid, observed, performed and satisfied.

END OF DOCUMENT

(8)

STANDARD MORTGAGE TERMS

FILED BY: BUSINESS DEVELOPMENT BANK OF CANADA

MORTGAGE

FILING DATE – APRIL 7, 2006

FILING NUMBER – MT060099

The following set of standard mortgage terms is considered to be included in and form a part of every mortgage in which this set is referred to by its filing number.

CONTENTS

For good and valuable consideration, the receipt and sufficiency of which you hereby acknowledge, you warrant, represent, covenant and agree with us as follows:

1. INTERPRETATION

1.1 **Definitions**. In this Mortgage:

(a) **"Assigned Leases"** means every existing and future Lease and any guarantee of any such Lease;

(b) **"Assigned Rents"** means all rents, benefits and other monies payable from time to time under the Assigned Leases;

(c) **"Charge"** means any mortgage, charge (fixed or floating), pledge, lien (statutory or otherwise), assignment, lease, security interest, title retention agreement, trust, or other encumbrance of any nature however arising;

(d) **"Environmental/Hazardous Materials Claims"** means enforcement or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental/Hazardous Materials Laws, together with claims made or threatened by any third party against you or in respect of the Mortgaged Property relating to the environment, health, safety, any Wastes/Hazardous Materials or any Environmental/Hazardous Materials Laws;

(e) **"Environmental/Hazardous Materials Laws"** means laws, bylaws, rules, ordinances, regulations, notices, approvals, orders, licences, permits, standards, guidelines and policies from time to time of any level of government or other authorized agency relating to the environment, health, safety or any Wastes/Hazardous Materials;

(f) **"Event of Default"** means any event referred to in paragraph 10.1 hereof, or otherwise herein, as constituting an Event of Default;

(g) **"Improvements"** means each and every building, structure, erection, improvement, fixture or replacement thereof affixed or attached in, on, or under the Mortgaged Property or any part thereof which now or hereafter constitutes part of Your Interest;

(h) **"Lease"** means a lease, sub-lease, agreement to lease or sub-lease, right of use or occupation, licence or sub-license, or other agreement as to the use or occupation of Your Interest, or any part thereof, as the case may be, and includes any renewal, replacement or extension of any of the foregoing;

(i) **"Mortgage"** means the Mortgage Form and these mortgage terms read together, as amended and extended from time to time;

(j) **"Mortgage Form"** means the Form B under the *Land Title (Transfer Forms) Regulation* (British Columbia), as amended or replaced from time to time, which refers to these mortgage terms and is executed by you and all schedules and addenda attached to such Form B;

(k) **"Mortgaged Property"** means the land(s) described or referred to in item 2 of the Mortgage Form together with the Improvements, appurtenances and every other thing referred to in Section 10 of the *Land Transfer Form Act* (British Columbia), as amended or replaced from time to time, and whether now or hereafter existing or acquired, in connection with such land(s);

(l) **"Permitted Charges"** means:

(i) charges that are expressly subordinate in priority to the Charges created hereby;
(ii) charges in our favour; and
(iii) charges disclosed in item 11 of the Mortgage Form or approved in writing by us prior to their creation or assumption;

(m) **"Receiver"** includes a receiver, manager, receiver and manager or receiver-manager however appointed;

(n) **"Secured Obligations"** has the meaning given to it in item 5(a) of the Mortgage Form;

(o) **"Taxes"** means all taxes, assessments, rates, duties, levies, government fees, utility charges, claims and dues levied, assessed or imposed on Your Interest or on you in respect of Your Interest;

(p) **"Wastes/Hazardous Materials"** means wastes, materials and substances the storage, manufacture, disposal, treatment, generation, use or transport of which is prohibited, controlled or licensed under any Environmental/Hazardous Materials Laws, or the remediation or release of which into the environment is likely to immediately or in the future to cause harm or degradation to any of the Mortgaged Property or the environment, including contaminants, pollutants, corrosive substances, toxic substances, special wastes, substances deleterious to fish or wildlife, explosives, radioactive materials, asbestos, urea formaldehyde, and compounds known as chlorobiphenyls;

(q) **"Your Interest"** means:

(i) the estate, right, title and interest in and to the Mortgaged Property mortgaged by you in item 8 of the Mortgage Form; and

(ii) any other estate, right, title or interest in and to the Mortgaged Property hereafter acquired by you, or in your name.

1.2 **Our Certificate Conclusive**. Every certificate signed by one of our representatives purporting to show the amount of monies at any particular time due and payable under this Mortgage shall, in the absence of manifest error, be conclusive evidence as against you of the amount due and payable at such time under this Mortgage.

1.3 **Invalidity.** The invalidity or unenforceability of the whole or any part of any paragraph of this Mortgage shall not affect the validity or enforceability of any other paragraph or the remainder of such paragraph.

1.4 **Headings**. The headings used in this Mortgage have been inserted for convenience of reference only and do not define, limit, alter or enlarge the meaning of any provision of this Mortgage.

1.5 **Jurisdiction**. This Mortgage will be governed by and construed in accordance with the laws of British Columbia.

1.6 **Time of the Essence.** Time shall be of the essence of this Mortgage.

1.7 **Consolidation**. The doctrine of consolidation shall apply to this Mortgage notwithstanding Section 27 of the *Property Law Act* (British Columbia) as amended or replaced from time to time.

1.8 **Interpretation**. Whenever in this Mortgage the singular or neuter pronoun is used the same shall be respectively construed as the plural, masculine, feminine or body corporate as the context may require.

1.9 **Joint and Several Liability**. If you are comprised of more than one person, the liability of such persons is joint and several and every reference in this Mortgage to you shall be construed as meaning each person who executed this Mortgage as a mortgagor as well as all of them.

1.10 **Conflict with Mortgage Form**. If there is any conflict between these mortgage terms and the Mortgage Form, the provisions of the Mortgage Form shall govern.

1.11 **Conflict with Agreement**. If you have entered into a commitment letter, loan agreement or guarantee (the "Agreement") with us dealing with, or relating to, the Secured Obligations, or any of them, then, in the event of any discrepancy between any term of this Mortgage and any term of the Agreement, the term of the Agreement shall apply and take precedence over the terms of this Mortgage.

1.12 **Enurement.** This Mortgage shall enure to the benefit of and be binding upon you and us and our respective heirs, personal representatives, successors and permitted assigns.

2. GRANT OF SECURITY

2.1 **Mortgage.** As security for the Secured Obligations, you hereby grant and mortgage Your Interest to us, forever, subject to Permitted Charges and the provisions hereof, and subject to paragraph 3.1, you release all claims to Your Interest to us.

2.2 **Title**. If you are not the beneficial owner of Your Interest or any part of Your Interest, you have the right and authority to grant this Mortgage as a charge against both the legal and beneficial title to all of Your Interest.

3. DISCHARGE OF MORTGAGE

3.1 This Mortgage will be redeemed and you will be entitled to a discharge of this Mortgage only upon the latest of:

(a) full payment and satisfaction of the Secured Obligations;

(b) our receipt of your written request for a discharge of this Mortgage; and

(c) our receipt of payment of an administrative fee, to be fixed by us, for the preparation or execution of a discharge of this Mortgage.

No discharge will be effective unless it is in writing and is executed by us.

You will pay an administrative fee, to be fixed by us, for the preparation or execution of any partial release of this Mortgage. No partial release of any of Your Interest will affect our rights under this Mortgage with respect to the remainder of Your Interest.

4. GENERAL REPRESENTATIONS

4.1 **Title.** You own and possess and have good title to all of Your Interest and you will defend Your Interest for our benefit against the claims and demands of all other persons.

4.2 **Authority to Charge.** You have good right, full power and lawful authority to enter into this Mortgage, to create the Charges provided for herein and to convey all of Your Interest to us subject only to Permitted Charges.

4.3 **Quiet Possession.** On default we shall have possession of Your Interest free from all Charges, except Permitted Charges.

4.4 **Permitted Charges.** You have done no act to encumber Your Interest, save for Permitted Charges.

4.5 **No Litigation.** There is no litigation, governmental proceeding, complaint, prosecution or investigation, with respect to environmental matters or otherwise, commenced or pending against you or otherwise affecting Your Interest and you agree to promptly notify us of any such future litigation, proceeding, complaint, prosecution or investigation.

4.6 **General.** Each statement made by you in this Mortgage is true, complete and accurate and no investigation by us will diminish our right to rely on such statements, all of which will survive until we have discharged this Mortgage.

5. COVENANTS

5.1 **Secured Obligations.** You will pay, observe, perform and satisfy all of the Secured Obligations as and when the same are required to be paid, observed, performed and satisfied.

5.2 **Taxes.** You will promptly pay all Taxes when due and deliver to us a receipt therefor forthwith upon each payment.

5.3 **Other Charges.** If this Mortgage is now or at any time hereafter subject to any Permitted Charge(s):

(a) you will duly observe, perform and comply with the covenants, provisos and agreements contained in each Permitted Charge (including the punctual payment of any money payable under the same) and you agree to indemnify and save us harmless from and against any and all loss and liability thereunder; and

(b) any default under any Permitted Charge shall be deemed to be an Event of Default hereunder.

5.4 **No Charges.** You will not create, assume or permit the existence of any Charge affecting any of Your Interest except for (but we do not grant priority to) Permitted Charges.

5.5 **Miscellaneous Fees.** You shall pay to us on demand the following, all of which shall constitute a Secured Obligation and be payable immediately with interest at the highest rate of interest then in effect with respect to any part of the Secured Obligations, until paid:

(a) a reasonable servicing fee to process each application for approval as herein contemplated; and

(b) all fees, costs, charges and expenses (including legal fees and expenses on a solicitor and his own client basis, Receiver's, bailiff's or other fees, commissions and expenses, and any fine, cost or penalty we may be obliged to incur by reason of any statute, order or direction by competent authority) incurred by us, or on our behalf, whether before or after court proceedings are commenced, in connection with:

(i) the preparation, issue, registration, modification and extension of this Mortgage, recovering, collecting, procuring or enforcing payment or performance of the Secured Obligations, in any way enforcing or protecting the security of this Mortgage, or enforcing any of the terms of this Mortgage or otherwise exercising our rights and powers hereunder (including all of our travelling expenses and those of our employees and agents);
(ii) any inspection, appraisal, investigation or environmental audit of the Mortgaged Property or Your Interest;
(iii) any environmental rehabilitation, removal or repair necessary to protect, preserve or remediate the Mortgaged Property or Your Interest; and

(c) all other amounts paid or incurred by us generally in any other measure or proceeding taken by us or on our behalf to realize or collect the Secured Obligations or to defend or perfect the title of Your Interest.

5.6 **Maintain Insurance.** While this Mortgage is in effect you will:

(a) maintain or cause to be maintained insurance on Your Interest with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as we may require;

(b) cause the insurance policy or policies required by this Mortgage to name us as a loss payee as our interest may appear in respect of Your Interest, and include a standard mortgage clause or a mortgage endorsement;

(c) pay all premiums respecting such insurance, and deliver all policies to us if required;

(d) upon request, immediately assign, transfer and deliver over to us each and every policy or policies of insurance and all receipts pertaining to same;

(e) on the happening of any loss or damage to the Mortgaged Property or any of Your Interest, immediately notify and furnish to us, at your expense, all necessary proofs and do all necessary acts to enable us to obtain payment of any insurance monies otherwise payable to you, but nothing shall limit our right to submit to the insurer a proof of loss on our own behalf; and

(f) authorize and direct the insurer under any required policy of insurance to include our name as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by us to any insurer of a certified copy of this Mortgage shall be its complete authority for so doing.

If you fail to maintain insurance as required, we may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as we consider necessary for our protection. If proceeds of any required insurance become payable, we may, in our absolute discretion, apply these proceeds to the Secured Obligations as we see fit or release any insurance proceeds to you to repair, replace or rebuild, but any release of insurance proceeds to you shall not operate as a payment on account of the Secured Obligations or in any way affect this Mortgage or the Charges created hereby. To ensure that we may apply such insurance monies in the manner herein contemplated, you also assign and release to us all of your rights to receive the insurance monies and expressly waive all your rights and benefits under the *Insurance Act* (British Columbia) and the *Fire Prevention (Metropolis) Act 1774* each as amended or replaced from time to time.

5.7 **Use, Maintenance and Alteration of Improvements**. You will:

(a) promptly observe, perform, execute and comply with all laws, rules, requirements, orders, directions, ordinances and regulations of every governmental, municipal and civil authority or agency concerning any part of the Mortgaged Property that constitutes part of Your Interest;

(b) not permit or commit any act of waste on any part of the Mortgaged Property that constitutes part of Your Interest;

(c) not change, or agree to any change of, the present use of Your Interest without our prior express written consent;

(d) keep all Improvements in good condition and repair;

(e) not permit any Improvements to be unoccupied or unused without our prior express written consent;

(f) not permit any of the following activities to occur in, on or under the Improvements:

(i) businesses that are sexually exploitive or that are inconsistent with generally accepted community standard of conduct and propriety, including those that feature sexually explicit entertainment, products or services;
(ii) businesses trading with countries that are proscribed by the Federal Government;
(iii) businesses which operate as a separate and sole entity nightclubs, bars, lounges, cabarets, casinos, discotheques and similar operations; or
(iv) businesses that are engaged in or associated with illegal activities.

You also agree that if following the grant of this Mortgage, your business or the business of a tenant of yours fails to comply with this paragraph, the same may, at our discretion, constitute an Event of Default.

5.8 **Right to Inspect and Repair.** We and any of our agents, may at such time and from time to time, as we deem necessary and without the concurrence of any person, enter upon any part of the Mortgaged Property and make any arrangement for completing the construction, repairing or putting in of Improvements, or for inspecting, appraising, taking care of, leasing, collecting the rents of, and generally managing any or all of Your Interest, as we may deem expedient.

5.9 **No Dividends, etc.** If you are a corporation, you will not, without our prior written consent issue, purchase or redeem any of your shares, permit any of your shareholders to sell, transfer or dispose of their shares, declare or pay any dividends on any of your issued shares, or amalgamate, merge, consolidate or enter into any business combination with any other person.

6. ENVIRONMENTAL MATTERS

6.1 **No Environmental Risks.** You represent and agree that:

(a) you are not aware of any environmental risks or liabilities in connection with the Mortgaged Property which have not been disclosed to us and approved by us in writing;

(b) the operations on the Mortgaged Property are and will be kept in compliance with all Environmental/Hazardous Materials Laws and you will ensure your staff is trained as required for such purpose;

(c) you have an environmental emergency response plan and all your officers and employees are familiar with that plan and their duties under it;

(d) you possess and will maintain all environmental licences, permits and other governmental approvals as may be necessary for the conduct of your business;

(e) the Mortgaged Property is and will remain free of environmental damage or contamination;

(f) you will provide us with copies of all communications from or to any person relating to Environmental/Hazardous Materials Laws and any Environmental/Hazardous Materials Claim in connection with the Mortgaged Property that become known to you, and all environmental studies or assessments prepared for you, and you consent to us contacting and making enquiries of environmental officials or assessors;

(g) you will advise us immediately upon becoming aware of any environmental problem relating to the Mortgaged Property or your business;

(h) without limiting the above, you will not install on or under the Mortgaged Property storage tanks for any Wastes/Hazardous Materials without our prior written consent and only upon full compliance with our requirements and the standards and requirements of all boards and governmental authorities having jurisdiction over the Mortgaged Property, and your activities and assets.

(15)

6.2 **Indemnity**. You agree to assume and be responsible for any and all environmental liabilities relating to the Mortgaged Property, including any liability for the clean-up of any Wastes/Hazardous Materials in, on or under the Mortgaged Property, and you agree to protect, save harmless and indemnify us, and any Receiver, and our respective directors, officers, employees and agents, direct and indirect successors and assigns, and our interest in the Mortgaged Property, from and against any and all claims, demands, liabilities, losses, damages and expenses suffered by any of such persons arising out of or in connection with any and all environmental liabilities relating to the Mortgaged Property. Your liability will arise upon the earlier of the discovery of any Wastes/Hazardous Materials, and the institution of any Environmental/Hazardous Materials Claims, and will not be dependent upon the realization of any loss or damage or the determination of any liability. This indemnity and your liability hereunder will survive after this Mortgage and the Charges created hereby have been discharged.

7. ASSIGNMENT OF RENTS

7.1 Unless the Mortgage Form indicates this Mortgage contains an Assignment of Rents, this paragraph shall have no force or effect. You hereby assign the Assigned Rents to us, together with the benefit of all covenants, rights and agreements contained in the Assigned Leases and you agree as follows;

(a) to execute and deliver such further assignments, notices or other documents as may be required to render this assignment effective;

(b) we are not obliged to collect any Assigned Rents, nor to comply with any covenant, agreement or term of any Assigned Lease;

(c) the tenants shall pay the Assigned Rents as we may from time to time direct, and in the absence of direction, may pay them to you;

(d) none of the Assigned Leases or your rights thereunder including the right to receive the Assigned Rents, has been or will be amended, assigned, encumbered, terminated, discounted or anticipated without our prior written consent;

(e) no tenant, sub-tenant, licensee or sub-licensee, as the case may be, may make, and you may not accept, a prepayment of Assigned Rents without our prior written consent and where any such person under any Assigned Lease registered prior to this Mortgage has a contractual right to prepay Assigned Rents, such prepayment will, if made, be paid to us and applied as prepayment on the Secured Obligations or any of them, or held as security for the Secured Obligations, as we may determine, unless we have, in writing, waived our right to receive such prepayment;

(f) there is no existing default in payment of Assigned Rents or otherwise under any of the Assigned Leases by any of the parties thereto and no outstanding dispute under any of the Assigned Leases;

(g) you will observe and perform all of your obligations under each of the Assigned Leases and deliver to us a true copy of each of the Assigned Leases upon demand;

(h) all Assigned Leases will contain terms and conditions and be with tenants, sub-tenants, licensees or sub-licensees (as the case may be), which are not less favourable or desirable to you than those which a prudent landlord would expect to receive for the premises to be leased or sub-leased;

(i) nothing we do pursuant to this paragraph will deem us to be a mortgagee in possession of Your Interest and we need account only for such monies as we actually receive and we are entitled to charge a reasonable collection fee against such receipts for the collection thereof; and

(b)

(j) we may recover and apply Assigned Rents to such part of the Secured Obligations as may be then due and unpaid without accelerating due dates of the Secured Obligations or any part thereof, or otherwise realizing on our security.

Provided that a discharge of this Mortgage will constitute a re-assignment of the Assigned Rents to you.

8. ASSIGNMENT OF RIGHTS OF INDEMNITY

8.1 You hereby assign to us all and any rights of indemnification you now have, or which you may hereafter have, arising or existing by reason of or with respect to Your Interest and the Improvements to have and to hold, take and receive the same to our use absolutely, provided that a discharge of this Mortgage will constitute a re-assignment of such rights to you.

9. MORTGAGES OF SPECIAL INTERESTS

9.1 **Fee Simple.** If Your Interest is a fee simple estate in and to the Mortgaged Property, this Mortgage is made under Part 3 of the *Land Transfer Form Act* (British Columbia) as amended or replaced from time to time.

9.2 **Leasehold Mortgage.** If Your Interest is as a lessee, sub-lessee, licensee or sub-licensee (collectively a "lessee") of the whole or any portion of the Mortgaged Property pursuant to a Lease:

(a) you hereby demise, sub-lease and mortgage Your Interest and the Lease to us, by way of a sub-lease, except for the last 10 days of the term of the Lease (the "reversion") which is excepted out of the Charge created by this Mortgage;

(b) if the Lease cannot be effectively charged without consent, any Charge intended to be created by this Mortgage upon Your Interest in the Lease shall not become effective until, but shall become effective immediately when, all consents necessary for the validity and effectiveness of such Charge have been obtained or waived by all appropriate persons;

(c) you represent to us that the Lease is in good standing, you have the right to mortgage Your Interest and the Lease to us, all rents or other monies payable under the Lease have been paid and all other obligations under the Lease, whether of you or your landlord, have been performed or complied with;

(d) you will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by you under the Lease, including payment of rent;

(e) you shall take no action or be guilty of any default which shall or may cause the Lease to be terminated or forfeited, or, without our prior written consent, surrender or give any notice which would have the effect of terminating, or permitting the termination of, the Lease;

(f) you will promptly notify us in writing of any default or of any condition that with or without the passage of time or the giving of any notice might result in a default under, or the termination of, the Lease, and you will promptly cause a copy of each notice you receive under the Lease to be delivered to us;

(g) in the event of any renewal, extension, replacement or substitution of the Lease being created, you will immediately so advise us, and provide us with particulars of the same and a true copy of the subject instrument, and when we request, you will execute such further instrument as we may require;

(h) you will not during the continuance of this Mortgage, without our prior written consent, modify, alter or suffer or permit any modification or alteration of the Lease;

(i) you will promptly obtain from the lessor under the Lease and deliver to us, a certificate stating that the Lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination thereon has been served on you thereunder, stating the date to which the rent has been paid and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any;

(j) you shall not consent to the subordination of the Lease to any mortgage of the interest of the lessor (or leasehold interest of the sub-lessor) thereof in the Mortgaged Property; and

(k) you will hold the reversion and any renewals, extensions, replacements or substitutions thereof in trust for us and you will assign and dispose of the same in such manner as we may direct by notice in writing.

9.3 **Strata Lot.** If Your Interest is comprised of one or more strata lots:

(a) you shall comply with, observe and perform all provisions of the *Strata Property Act*, its regulations and the by-laws, rules and regulations of the strata corporation (the "Strata Corporation") or any special interest section thereof of which you are a member by virtue of your ownership of the strata lot hereby charged, constituted by the deposit of the appropriate strata plan from time to time in force;

(b) you shall pay, on or before the due date thereof, each and every assessment, contribution, expense, fine or levy made by or on behalf of the Strata Corporation in respect of Your Interest;

(c) you will forward to us within 10 days of our demand a certificate in any form required by the *Strata Property Act* certifying that no monies are owing by you to the Strata Corporation;

(d) you will not, without our prior written consent:

(i) assign any right, power, duty or obligation under the *Strata Property Act* or the by-laws created under it; or

(ii) give possession of the strata lot hereby charged to any person on the basis of an agreement for the purchase of the strata lot by the occupier or on the basis of a lease, sub-lease or assignment of lease for a term of three years or more;

(e) you hereby grant to us your power and right to vote conferred on you by or under the *Strata Property Act* in respect of all matters in relation to which the *Strata Property Act* allows or provides that we may vote, such power and rights being hereby assigned, transferred and set over unto us, and in respect of all other matters, you hereby irrevocably appoint us as your proxy to attend, speak and vote for and on your behalf but in our discretion at all meetings of the Strata Corporation; provided we shall not be obliged to vote or to protect Your Interests and shall not be liable to you in connection with any consequences of our exercise or failure to exercise such right to vote and that if we, by our authorized representative, agent or proxy, are not present at any duly called meeting of the Strata Corporation of which we have received written notice, you may exercise the right to vote. You agree that neither this clause nor anything done by virtue of it shall render us a mortgagee in possession;

(f) if for any reason whatsoever you vote at any meeting of the Strata Corporation, you shall, if directed by us, vote in such manner as we direct with respect to each and every matter to be voted;

(g) at least five days prior to each general meeting of the Strata Corporation, you shall deliver to us written notice of the meeting specifying the place, date, hour and purpose of the meeting;

(h) you hereby authorize any of our officers to apply at any time and from time to time during the term of this Mortgage to the Strata Corporation:

(i) to have any bylaw for the time being in force governing the strata lot and interest in the common property hereby mortgaged made available for inspection by such officer;

(ii) for certification to us of the amount of any contribution determined as your contribution, the manner in which any contribution is payable, the extent to which you have paid any contribution and the amount of money expended by the Strata Corporation on your behalf under the *Strata Property Act* and not recovered by it; and

(i) at our request, you will deliver to us copies of all notices, financial statements and other documents given by the Strata Corporation to you.

9.4 **Mortgage of Mortgage.** If Your Interest is as a mortgagee of a mortgage (in this clause called the "Head Mortgage"):

(a) you transfer and assign to us absolutely all of your right, title and interest in and to the Head Mortgage and the monies now and hereafter owing thereunder, together with the full benefit of all powers and all covenants and provisions in the Head Mortgage, including any guarantee contained in the Head Mortgage, and also, full power and authority to use your name for enforcing the performance of the covenants and other matters and things contained in the Head Mortgage;

(b) you represent and warrant to us that the Head Mortgage is good and valid security;

(c) you represent and warrant to us that you have not done, nor permitted any act, matter or thing whereby the Head Mortgage has been released or discharged, either in whole or in part;

(d) you covenant and agree that default of any kind under the Head Mortgage or your becoming entitled to take any action or proceeding under the Head Mortgage shall be an Event of Default under this Mortgage;

(e) you shall not accept any prepayment of the monies owing under the Head Mortgage other than in accordance with the terms thereof; provided that, if you are obliged to accept a prepayment, the amount thereof shall be paid to us as a prepayment on account of the Secured Obligations unless we waive such prepayment; and

(f) we shall be under no obligation to commence action or take any proceeding or step to enforce the Head Mortgage and shall not be liable for any loss arising from any omission by us to take any such action, proceeding or step.

9.5 **Vendor's Interest in Right to Purchase.** If Your Interest is the full fee simple subject to a right to purchase (in this clause called the "Right to Purchase"):

(a) you transfer and assign to us absolutely all of your right, title and interest in and to the Right to Purchase and the monies now and hereafter owing thereunder, together with the full benefit of all powers and all covenants and provisions in the Right to Purchase, and full power and authority to use your name for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase; and

(b) you shall not accept any prepayment of the Right to Purchase other than in accordance with the terms thereof; provided that, if you are obliged to accept a prepayment, the amount thereof shall be paid to us as a prepayment on account of the Secured Obligations unless we waive such prepayment; and

(c) we shall be under no obligation to commence action or take any proceeding or step to enforce the Right to Purchase and shall not be liable for any loss arising from any omission by us to take any such action, proceeding or step.

9.6 **Purchaser's Interest in Right to Purchase.** If Your Interest is as a purchaser's interest in an agreement for sale, then the Charge created hereby to secure the Secured Obligations is to attach to your increasing equity in the Mortgaged Property to the intent that when you obtain the fee simple to the Mortgaged Property, this Mortgage shall become a Mortgage of the full fee simple.

10. EVENTS OF DEFAULT

10.1 The occurrence of any of the following events will constitute an Event of Default:

(a) if you fail, or threaten to fail, to observe or perform any covenant, agreement, condition or obligation in our favour, whether or not herein contained, including your failure to pay any of the Secured Obligations when due;

(b) if any representation, warranty or statement made to us either by you or on your behalf and whether or not contained herein or elsewhere, is not or ceases to be true;

(c) if you, or any other obligant to us, or any other person liable, in respect of any of the Secured Obligations, ceases or threatens to cease to carry on your or its business, as the case may be, or any material part thereof or to sell all or substantially all of your or its assets, or becomes insolvent or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or if a petition is filed, an order is made, a resolution is passed, or any other step is taken for your, or such other person's, bankruptcy, liquidation, dissolution, winding-up or reorganization or for any arrangement or composition of your or its debts or any protection from your or its creditors;

(d) if you are in default under any other Charge of Your Interest or in relation to any indebtedness other than Secured Obligations or you accelerate or permit to accelerate the maturity of any material indebtedness to any creditor other than us;

(e) if a Receiver, trustee or similar official of any of Your Interest is appointed;

(f) if you are a corporation and any member or shareholder commences an action against you or gives a notice of dissent to you in accordance with the provisions of any applicable legislation;

(g) if the holder of any other Charge on, or claim against, any of Your Interest does anything to enforce or realize on such Charge or claim, or any execution, sequestration, or other process becomes enforceable against you, or if a distress, seizure or similar process is levied upon or exercised against any of Your Interest;

(h) if the lessor under any lease to you or of any of Your Interest takes any step to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default or alleged default by you under such lease;

(20)

(i) if any of Your Interest is destroyed, substantially damaged, expropriated, or designated or considered for designation as a contaminated site;

(j) if any permit, licence, certification, quota or order granted to or held by you is cancelled, reduced or revoked, or any order against you is enforced, with the effect of preventing your business from being carried on for more than five days or materially adversely changing the condition (financial or otherwise) of your business;

(k) if you sell, lease, assign, release, surrender or otherwise dispose of or part with possession of any of Your Interest or agree to do so; or

(l) if there is a deemed Event of Default pursuant to this Mortgage.

11. ENFORCEMENT

11.1 **Enforcement.** Upon the occurrence of an Event of Default we may declare any or all of the Secured Obligations immediately due and payable, and our security will immediately become enforceable. To enforce and realize on the Charges created hereby we may take (or refrain from taking) any action permitted by law or in equity as we may deem expedient, including any of the following:

(a) enter upon, take possession of, occupy, use, preserve and protect Your Interest, with power to exclude you, your agents and employees therefrom;

(b) maintain, repair, replace and complete Improvements in accordance with existing plans or otherwise as we, in our absolute discretion, may determine;

(c) collect the Assigned Rents and other assets we hold as security for the Secured Obligations;

(d) sell, lease or otherwise dispose of all or part of Your Interest and other assets of yours over which we hold security, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions as we may consider reasonable, provided that if any sale, lease or other disposition is on credit you will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received. No purchaser shall be bound to inquire into the legality or propriety of any such sale or be affected by notice of any irregularity or impropriety. We may take sale proceedings hereunder even if other mortgage proceedings have been taken or are pending;

(e) exercise any or all of your rights and remedies in respect of Your Interest;

(f) as your agent, appoint by instrument a Receiver of Your Interest and of all your properties, assets, effects and undertakings (collectively called the "Undertakings") related to or arising out of Your Interest with or without bond as we may determine, and in our absolute discretion and from time to time, remove any Receiver so appointed and appoint another in its stead, but we shall be under no liability for the remuneration, acts or omissions of the Receiver, its employees and agents;

(g) exercise any other rights and remedies under this Mortgage; or

(h) exercise any other right and power a Receiver could exercise.

We shall not be liable for any debts we contract during enforcement of this Mortgage, for damages to persons or property, salaries or non-fulfilment of contracts during any period when we take any action referred to above, for any misconduct, negligence or misfeasance by us, or any employee or agent of ours, and neither the provisions of this Mortgage nor the exercise of any of the powers provided in this Mortgage shall render us a mortgagee in possession, and we shall not be accountable except for the monies we actually receive. You waive any provision of law which may be waived which imposes any greater obligations on us than described above.

11.2 **Receiver**. A Receiver appointed pursuant to this Mortgage shall be your agent and not ours, and, to the extent permitted by law or its appointment, shall, in our discretion, have all of our rights and powers (including those under this Mortgage), including the power to:

(a) take possession of and enter upon the Mortgaged Property which constitutes part of Your Interest and the Undertakings;

(b) sell or lease or concur in selling or leasing Your Interest and the Undertakings;

(c) make any arrangement or compromise which it shall think expedient;

(d) carry on, or concur in the carrying on of, any development then in progress or otherwise contemplated by you with respect to Your Interest or your business relating to Your Interest and for such purposes from time to time to borrow money either secured or unsecured, and if secured by security on the whole or any part of Your Interest and the Undertakings, such security may rank before or pari passu with or behind this Mortgage; and

(e) commence, continue or defend proceedings in the name of the Receiver or in your name, which the Receiver considers necessary or advisable for the proper protection of the whole or any portion of Your Interest or the enforcement of this Mortgage.

We may from time to time fix the remuneration of every such Receiver and direct the payment thereof out of the proceeds of the receivership. The rights and powers conferred by this paragraph are in addition and not in substitution for any right we may from time to time possess.

11.3 **Application of Proceeds**. Any money from time to time received by the Receiver shall, subject to the claims of creditors, if any, which are secured by any Charges ranking in priority to this Mortgage, be paid, subject to our direction otherwise, by it **Firstly**, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by it, **Secondly**, in or towards payment to us of the amounts comprised in the Secured Obligation in such manner and order as we shall, in our absolute discretion, deem advisable, and **Thirdly**, any surplus shall be paid to you provided that in the event any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

11.4 **Appointment of Attorney**. You irrevocably appoint us or the Receiver, as the case may be, with full power of substitution, as your attorney for and in your name to do everything necessary or incidental to the exercise of any or all of the powers conferred on us or the Receiver, as the case may be, pursuant to this Mortgage.

12. OTHER RIGHTS

12.1 **No Liability to Advance.** None of the preparation, execution or registration of this Mortgage, nor any advance or re-advance of money under it, nor any course of conduct by us, obligates us to advance or re-advance any money, or extend time for payment of a Secured Obligation, all of which remain in our absolute discretion.

12.2 **Continuing Security.** This Mortgage shall be general and continuing security for the Secured Obligations and any ultimate unpaid balance thereof, including a current or running account. The Secured Obligations may be reduced to zero from time to time without affecting the continuing nature of this Mortgage as security for any Secured Obligations thereafter incurred. Without limiting the foregoing, no payment, observance, performance or satisfaction of the Secured Obligations, nor any ceasing by you to be indebted or liable to us, will be deemed a redemption or discharge of this Mortgage.

12.3 **Security in Addition.** The provisions of this Mortgage and the security of this Mortgage are in addition to, but not in substitution for, any other security now or hereafter held by us for the Secured Obligations or any part thereof. This Mortgage shall not in any way affect or prejudice any security now or hereafter held by us for the whole or any part of the Secured Obligations. Any act done or omitted to be done by us:

(a) regarding any other securities held by us for the Secured Obligations or any part thereof shall not in any way affect or prejudice this Mortgage; or

(b) regarding this Mortgage shall not in any way affect or prejudice any other securities held by us for the Secured Obligations or any part thereof.

12.4 **Multiple Securities.** The occurrence of an Event of Default under this Mortgage constitutes default under all other agreements and security held by us in relation to the Secured Obligations and default under such other agreements or security constitutes an Event of Default hereunder.

12.5 **Performance of Obligations.** If you fail to perform any of your obligations hereunder or fail, upon request, to give us proof thereof, we may (but will not be obligated to) perform any or all of such obligations or cause them to be performed, without prejudice to our other rights and remedies.

12.6 **Indulgences.** We may grant extensions of time and other indulgences, take and give up security, accept compositions, make settlements, grant releases and discharges, refrain from registering or maintaining registration of Charges, and otherwise deal with you, other obligants to us, your other creditors, sureties and other persons and with Your Interest and other security, all as we see fit in our absolute discretion and without prejudice to your liability or our rights or remedies. You agree that you will not be released nor your liability in any way reduced because we have done, not done, or concurred in doing or not doing, anything whereby a surety would or might be released in whole or in part.

12.7 **Waiver.** We may waive any default hereunder provided that no such waiver, nor any failure to enforce at any time or from time to time any of the our rights hereunder, shall be effective unless in writing or prejudice our rights in the event of any future default or breach.

12.8 **Remedies Cumulative.** We may in our sole discretion realize on various securities (including this Mortgage) and any parts thereof in any order that we consider advisable and no realization or exercise by us of any power or right under this Mortgage or other security shall in any way prejudice any further realization or exercise until all Secured Obligations are satisfied. All rights and remedies available to us are cumulative and not restrictive of remedies at law and in equity and by statute.

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12.9 **Application of Payments**. We may, both before and after default, apply all payments made in respect of the Secured Obligations from time to time, and any monies realized from any security held therefor, to such parts of the Secured Obligations (whether or not then due) as we see fit.

13. PRESERVATION OF MORTGAGE AND OTHER SECURITY

13.1 **No Dealing With Equity of Redemption**. No extension of time given by us to you, or anyone claiming under you, or any other dealing by us with the owner(s) of the equity of redemption of Your Interest, shall in any way affect or prejudice our rights or remedies against you or any other person liable either in whole or in part for the payment of or performance of the Secured Obligations.

13.2 **No Merger.** Neither this Mortgage nor anything contained herein shall operate so as to create any merger, rebate or discharge of any of your representations, obligations (including debts owing to us) or covenants to us under any Agreement, any amendment to it, or other document or security now or hereafter held by us from you or any other person, all of which survive the execution and delivery of this Mortgage and our advance of money. The taking of a judgment on any covenant herein shall not operate as a merger of the said covenant, or affect our right to receive any interest when due.

14. MISCELLANEOUS

14.1 **Payment**. We may require payment of the Secured Obligations at any place in Canada as we may direct.

14.2 **Strict Observance**. You will strictly observe and perform each of your agreements set out herein.

14.3 **Further Assurances.** You will execute such further assurances of Your Interest as we may require.

14.4 **No Representations**. We have not made and you do not rely on any representations, warranties, covenants, agreements, conditions or provisos, oral or otherwise, whether made by us or any person acting actually or ostensibly on our behalf, other than those contained in this Mortgage unless those representations, warranties, covenants, agreements, conditions and provisos are contained in a supplementary contract in writing duly executed by both you and us and expressed to be collateral to this Mortgage.

14.5 **Assignment**. You will not assign any of your rights or obligations under this Mortgage, and no such purported assignment shall be effective, without our prior written consent, which may be arbitrarily withheld.

14.6 **Notice**. Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the address of such party provided on the Mortgage Form or at such other address as may be given in writing by one party to the others, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery. Delivery by fax transmission is deemed to be received on the day of transmission.

14.7 **Modification**. No amendment of this Mortgage will be effective unless it is in writing and signed by all parties to this Mortgage.

END OF SET

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This is Exhibit "**B**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

EQUITABLE MORTGAGE AND ESTOPPEL AGREEMENT

THIS AGREEMENT dated for reference 30th day of September, 2019,

BY:

27222 LOUGHEED HIGHWAY HOLDINGS LTD., a British Columbia company (Incorporation No. BC1222829), 145 Golden Drive, Coquitlam, British Columbia, V3K 6T1

(the "**Nominee**")

AND:

SKAW PROPERTIES LTD., a British Columbia company (Incorporation No. BC0957820), 145 Golden Drive, Coquitlam, British Columbia, V3K 6T1

(the "**Beneficial Owner**")

IN FAVOUR OF:

BUSINESS DEVELOPMENT BANK OF CANADA, incorporated by Special Act of the Parliament of Canada, and having its head office in Montreal, Quebec, with a business centre at Suite 200 – 505 Burrard Street, Vancouver, British Columbia, V7X 1M3

("**BDC**")

WHEREAS:

A. The Nominee is, or is about to become, the registered owner of the lands and premises described in Schedule A hereto (the "**Lands**") and, pursuant to a declaration of bare trust and agency agreement dated as of September 30, 2019 (the "**Trust Declaration**"), a copy of which is attached as Schedule B, the Nominee has declared that it holds, or will acquire and hold, legal title to the Lands as nominee and bare trustee for and on behalf of the Beneficial Owner.

B. The Nominee and the Beneficial Owner have applied to BDC for one or more loans and credit facilities (the "**27222 Facilities**") which application BDC has approved on the terms and conditions set out in the 27222 Letter of Offer (hereinafter defined).

C. 145 Golden Drive Ltd. ("**145 Golden**") has applied to BDC for one or more loans and credit facilities (the "**145 Golden Facilities**") which application BDC has approved on the terms and conditions set out in the 145 Golden Letter of Offer (hereinafter defined).

NOW THEREFORE, in consideration of BDC extending credit to or for the benefit of the Nominee and the Beneficial Owner, and 145 Golden, and of other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged by each party executing this Agreement), the parties hereby covenant and agree as follows:

1. DEFINITIONS

1.1. Definitions. In this Agreement (including the recitals hereto):

(a) "145 Golden Letter of Offer" means the letter and the attachments thereto dated on or about August 23, 2019 from BDC to 145 Golden and accepted by, among others, 145 Golden, the Nominee and the Beneficial Owner, as it may be amended, supplemented, restated or replaced from time to time;

(b) "27222 Letter of Offer" means the letter and the attachments thereto dated on or about August 23, 2019 from BDC to the Nominee and the Beneficial Owner and accepted by, among others, the Nominee and the Beneficial Owner, as it may be amended, supplemented, restated or replaced from time to time;

(c) "Guarantee" means the joint and several guarantee of the indebtedness and liabilities of 145 Golden to BDC, executed by the Nominee and the Beneficial Owner;

(d) "Indebtedness" means:

(i) all present and future indebtedness, liabilities and obligations of the Nominee and the Beneficial Owner to BDC, direct or indirect, absolute or contingent, matured or unmature, joint or several, including, without limitation, the indebtedness, liabilities and obligations arising under the 27222 Facilities, the 27222 Letter of Offer and the Security Documents to which the Nominee and the Beneficial Owner, or either of them, is a party, and all interest obligations, all future advances, re-advances, costs, expenses and other monies payable to BDC by the Nominee and the Beneficial Owner in connection therewith;

(ii) all present and future indebtedness, liabilities and obligations of 145 Golden to BDC, direct or indirect, absolute or contingent, matured or unmature, joint or several, including, without limitation, the indebtedness, liabilities and obligations arising under the 145 Golden Facilities, the 145 Golden Letter of Offer and the Security Documents to which the Nominee and the Beneficial Owner, or either of them, is a party, and all interest obligations, all future advances, re-advances, costs, expenses and other monies payable to BDC by 145 Golden in connection therewith;

(e) "Letters of Offer" means together the 27222 Letter of Offer and the 145 Golden Letter of Offer;

(f) "Mortgage" means the Form B mortgage and assignment of rents charging the Lands made by the Nominee in favour of BDC, as it may be amended, supplemented or replaced from time to time;

(g) "Personal Property" means all present and after-acquired personal property of the Beneficial Owner, and of the Nominee, if any, used or acquired in connection with, relating to or arising from the ownership, development or operation of the Lands;

(h) "Security Agreement" means the security agreement dated for reference September 30, 2019 made by the Nominee in favour of BDC, creating a security interest in, *inter alia*, all right, title and interest of the Nominee, if any, in the Personal Property, as it may be amended or supplemented from time to time; and

(i) "Security Documents" means the Mortgage, the Guarantee and the Security Agreement granted by the Nominee to BDC, as required pursuant to the Letters of Offer, and any other agreement, instrument, or security document, now existing or hereafter granted to BDC in connection with or as security for the Indebtedness, or any part thereof, as the same may be amended, supplemented or replaced from time to time.

2. REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties of Nominee. The Nominee represents and warrants to BDC:

(a) the Trust Declaration is in full force and effect at the date hereof and has not been amended from the form attached hereto;

(b) the Nominee is the sole registered owner of legal title to the Lands, which the Nominee holds as bare trustee and nominee for the Beneficial Owner;

(c) the Nominee has not sold, transferred, assigned, mortgaged, pledged, hypothecated, leased or otherwise disposed of the whole or any part of its right, title and interest in and to the Lands, except pursuant to the Trust Declaration and the Mortgage and the encumbrances permitted by BDC in writing;

(d) the Nominee has been authorized, directed and provided with all necessary power and authority by the Beneficial Owner to enter into the Security Documents to which the Nominee is a party.

2.2. Representations and Warranties of Beneficial Owner. The Beneficial Owner represents and warrants to BDC:

(a) the Trust Declaration is in full force and effect at the date hereof and has not been amended from the form attached hereto;

(b) the Beneficial Owner is the sole beneficial owner of the Lands and the Personal Property;

(c) the Beneficial Owner has not sold, transferred, assigned, mortgaged, pledged, hypothecated, leased or otherwise disposed of the whole or any part of its beneficial interest in the Lands or the Personal Property;

(d) the Nominee has been authorized, directed and provided with all necessary power and authority by the Beneficial Owner to hold legal title to the Lands and some or all of the Personal Property in trust for the Beneficial Owner, to transact the business of the Beneficial Owner with respect to the Lands and the Personal Property and to enter into the Security Documents to which the Nominee is a party.

3. DIRECTION TO NOMINEE AND GRANT OF EQUITABLE CHARGE

3.1. Direction to Nominee. The Beneficial Owner, as sole beneficial owner of the Lands and the Personal Property, hereby irrevocably consents to, authorizes, directs and empowers the Nominee, as registered holder of legal title to the Lands and some or all of the Personal Property, if any, as nominee and agent for and on behalf of the Beneficial Owner, to:

(a) assign, grant, mortgage, pledge and charge to and create a security interest in favour of BDC in all legal right, title and interest of the Nominee in and to the Lands and the Personal Property, if any, all as security for the Indebtedness; and

(b) execute and deliver to BDC the Security Documents to which the Nominee is a party, including, without limitation, this Agreement and all additional security in respect thereof as BDC may require.

Any of the Security Documents that may have been executed and delivered prior to the date hereof are hereby ratified and confirmed by the Beneficial Owner.

3.2. Charge. For greater certainty and in addition to the charges created by the execution and delivery by the Nominee of the Security Documents to which it is a party, as continuing security for the Indebtedness, the Beneficial Owner hereby:

(a) assigns, grants, mortgages, pledges and charges to and in favour of BDC, all of the beneficial right, title and interest of the Beneficial Owner in and to the Lands, and assigns to BDC all rents payable in respect of the Lands, on and subject to the same terms and conditions as are contained in the Mortgage;

(b) grants to BDC a security interest in the beneficial right, title and interest of the Beneficial Owner in and to the Personal Property on the same terms and conditions as are contained in the Security Agreement.

The Beneficial Owner agrees that if it acquires a registerable interest in the Lands, forthwith on request it will execute and deliver to BDC a registerable mortgage thereof in the form specified by BDC.

3.3. No Amendment or Disposition. The Nominee and the Beneficial Owner covenant and agree with BDC that, without the prior written consent of BDC, they will not:

(a) amend or terminate the Trust Declaration; or

(b) sell, transfer, assign, mortgage or otherwise dispose of the whole or any part of their respective right, title and interest in and to the Lands or the Personal Property, except as may be expressly permitted by the Letters of Offer.

3.4. No Inquiry. The Beneficial Owner agrees that BDC shall not be obliged at any time to inquire into any power exercised by the Nominee from time to time or to confirm any such exercise of power with the Beneficial Owner in any matter arising with respect to the Trust Declaration, the Lands, the Personal Property or the Letters of Offer.

3.5. Indemnity by Beneficial Owner. The Beneficial Owner will do all things necessary to cause the Nominee to perform its obligations under the Letters of Offer and Security Documents to which the Nominee is a party, and the Beneficial Owner will indemnify and save harmless BDC from and against any breach or non-performance by the Nominee of any of its obligations under the Letters of Offer or any of the Security Documents by the Nominee.

4. POSTPONEMENT

4.1. Postponement of Indebtedness. The Beneficial Owner postpones payment of all indebtedness and liability of the Nominee, as debtor, to the Beneficial Owner, as creditor, to the prior payment and satisfaction in full of the Indebtedness. The Beneficial Owner agrees that, unless otherwise consented to in writing by BDC, any monies received by the Beneficial Owner in contravention of this Agreement shall be held by the Beneficial Owner in trust for BDC, and shall be paid over to BDC forthwith on demand.

4.2. Postponement of Interest. The Beneficial Owner covenants and agrees with BDC that any and all interest that it has or may acquire at any time in the Lands and the Personal Property is hereby postponed, subordinated and subject to the Security Documents and shall be subordinate to all indebtedness of the Beneficial Owner and the Nominee to BDC.

4.3. No Payment by Nominee. The Nominee agrees not to make any payments to the Beneficial Owner in contravention of this Agreement.

5. MISCELLANEOUS

5.1. Failure or Indulgence Not Waiver. No failure or delay on the part of BDC in the exercise of any power, privilege or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, privilege or right preclude any other or further exercise of any such power, privilege or right. Each power, privilege and right hereunder is cumulative with and not exclusive of any power, privilege or right otherwise available to BDC.

5.2. Modification of Agreement. No alteration, modification or waiver of this Agreement or any condition, covenant, provision or term contained herein shall be binding upon BDC unless made in writing and signed by BDC.

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5.3. Effectiveness of Agreement. Upon execution and delivery of this Agreement by a party, this Agreement shall be deemed to be in full force and effect as against that party, and shall not be subject to or affected by any condition as to receipt by BDC of any other security for the Indebtedness or as to the execution and delivery to BDC of any agreement, or other instrument by any other party or person, including this Agreement.

5.4. Severability. If any provision of this Agreement or any part thereof is found or determined to be invalid, illegal or unenforceable, such provision or such part thereof shall be severable from this Agreement and the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part were deleted herefrom.

5.5. Effect. This Agreement is in addition to and not in substitution for the Security Documents or any other security for or evidence of the Indebtedness held by BDC from time to time. Nothing contained herein shall prevent BDC from enforcing any guarantee or any of the Security Documents or other security for or evidence of the Indebtedness in accordance with their respective terms.

5.6. Successors and Assigns. This Agreement shall be binding upon the Nominee and the Beneficial Owner and their respective successors and assigns and shall enure to the benefit of BDC and its successors and assigns.

5.7. Notices. Any notice or other communication required or permitted hereunder shall be in writing and any notice or other document herein required or permitted to be given or delivered may be personally given or delivered or sent by prepaid registered mail to the party hereto, addressed to it at its address set out above or to such other address as the party hereto may designate to the others by notice in writing; and any notice or other document, if so sent by mail, shall be deemed to have been given at the expiration of the fifth business day after the date of mailing, unless there exists at the time of mailing, or within five business days thereafter, a labour dispute or other event which would adversely affect the normal delivery of such notice or other document by Canada Post, in which case such notice or other document will only be deemed to be given or delivered when actually given or delivered.

5.8. Applicable Law. This Agreement and the rights and obligations of the parties shall be governed by and be construed according to the laws of the Province of British Columbia.

5.9. Interpretation. For the purposes of this Agreement, all references to the singular shall be construed to include the plural where the context so admits, the masculine to include the feminine and neuter gender and, where necessary, a body corporate, and vice versa.

5.10. Counterparts. This Agreement may be executed in any number of counterparts, by telecopier or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

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5.11. Time of the Essence. Time is of the essence of this Agreement.

5.12. Independent Obligation. Notwithstanding anything contained in the Trust Declaration or any other instrument, the obligations and covenants entered into or imposed upon the Nominee and the Beneficial Owner under this Agreement are independent of any other obligations and covenants between the Nominee and the Beneficial Owner, whether contained in this Agreement or otherwise.

5.13. No Merger. The taking of judgement on any covenant contained herein shall not operate to create any merger or discharge of any liability, obligation or covenant of the Nominee or the Beneficial Owner hereunder, under any of the Security Documents or any other securities of any form now or hereafter held by BDC from the Nominee, the Beneficial Owner, or from any other person or persons whomsoever.

5.14. Obligations Joint And Several. Each of the Nominee and the Beneficial Owner agrees that the representations, warranties, covenants, acknowledgements and agreements of each of them in this Agreement shall be the joint and several representations, warranties, covenants, acknowledgements and agreements of each of them.

5.15. Delivery of Copy/Waiver. The Nominee and the Beneficial Owner hereby acknowledge receiving a copy of this Agreement and waive all rights to receive from BDC a copy of any financing statement, financing change statement or verification statement filed at any time in respect of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed the 27 day of September, 2019.

27222 LOUGHEED HIGHWAY HOLDINGS LTD.
by its authorized signatory:

____
Any director or officer

SKAW PROPERTIES LTD.
by its authorized signatory:

____
Any director or officer

SCHEDULE A

Lands and premises located at 27222 Lougheed Highway, Maple Ridge, British Columbia legally described as follows:

Parcel Identifier: 024-337-285
Parcel 1 District Lot 433 Group 1 New Westminster District Plan LMP39524

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SCHEDULE B

Trust Declaration

(34)

DECLARATION OF BARE TRUST AND AGENCY AGREEMENT

THIS AGREEMENT dated as of September 30, 2019.

BETWEEN:

27222 LOUGHEED HIGHWAY HOLDINGS LTD. (Inc. No. BC1222829)
of 145 Golden Drive, Coquitlam, BC V3K 6T1

(the "**Nominee**")

AND:

SKAW PROPERTIES LTD. (Inc. No. BC0957820)
of 145 Golden Drive, Coquitlam, BC V3K 6T1

(the "**Owner**")

WHEREAS:

A. The Nominee will acquire legal title to the lands and premises located at 27222 Lougheed Highway, Maple Ridge, BC, and legally described as:

Parcel Identifier 024-337-285, Parcel 1 District Lot 433 Group 1 NWD Plan LMP39524

(the "**Property**")

B. Legal title to the Property will be registered in the name of the Nominee, and the Nominee will acquire and hold legal title to the Property, as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner, in accordance with this Agreement.

THEREFORE in consideration of these premises and $1.00 now paid by the Owner to the Nominee, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Appointment

The Owner appoints the Nominee as its nominee, agent and bare trustee to hold legal title to the Property for and on behalf of the Owner in accordance with this Agreement, with full power to manage and deal with the Property and execute any instrument, document or encumbrance in respect of the Property for the sole benefit and account of the Owner, all at the direction of the Owner as principal and beneficial owner and strictly in accordance with this Agreement, and the Nominee accepts such appointment.

2. Nominee's Agreements

The Nominee acknowledges and agrees that:

(a) the Nominee will acquire and will hold the legal title to the Property as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner and the Nominee will have no equitable or beneficial interest in the Property, and the equitable and beneficial interest in the Property will be vested solely and exclusively in the Owner;

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(b) the Nominee will hold legal title to the Property as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner subject to and in accordance with this Agreement and subject to the terms and conditions of any transfer, deed, lease, sublease, mortgage, debenture, security agreement, easement, right of way, licence, restrictive covenant or other instrument, document or encumbrance pertaining to the Property;

(c) any benefit, interest, profit or advantage arising out of or accruing from the Property is and will continue to be a benefit, interest, profit or advantage of the Owner and if received by the Nominee will be received and held by the Nominee for the sole use, benefit and advantage of the Owner and the Nominee will account to the Owner for any money or other consideration paid to or to the order of the Nominee in connection with the Property as directed in writing by the Owner;

(d) the Nominee will, upon the direction of the Owner, deal with the Property and do all acts and things in respect of the Property at the expense of and as directed by the Owner from time to time and will assign, transfer, convey, lease, mortgage, pledge, charge, or otherwise deal with the Property or any portion of the Property at any time and from time to time in such manner as the Owner may determine, to the extent permitted under all relevant laws; without limiting the generality of the foregoing, the Nominee will transfer legal title to the Property to or as directed by the Owner forthwith upon the written demand of the Owner;

(e) the Nominee will, upon and in accordance with the direction of the Owner, act as the agent of the Owner, as undisclosed principal, in respect of any matter relating to the Property or the performance or observance of any contract or agreement relating to the Property;

(f) acting under this Agreement at the direction of the Owner, the Nominee will have the full right and power to execute and deliver, under seal and otherwise, any transfer, deed, statement of adjustments, plan, lease, sublease, easement, right of way, licence, restrictive covenant, building scheme, release or other instrument or document pertaining to the Property without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;

(g) acting under this Agreement at the direction of the Owner, the Nominee will have the full right and power to borrow money from time to time and to covenant to repay money borrowed by the Owner either alone or with others from time to time and to secure the repayment of any and all indebtedness and liabilities with respect to any amounts so borrowed by the grant of any charge or encumbrance (both fixed and floating) on, or security interest in, the Property or any part thereof, by way of debenture, mortgage, assignment of rents, assignment of sale proceeds, security agreement or other instrument or document without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;

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(h) the Nominee will not deal with the Property in any way or execute any instrument, document or encumbrance in respect of the Property without the prior consent or direction of the Owner; and

(i) the Nominee will notify the Owner forthwith upon receipt by the Nominee of notice of any matter or thing in respect of the Property or any portion of the Property, including, without limitation, in respect of any tax, lien, charge or encumbrance in respect of the Property.

3. Reimbursement of Expenses

Any payments or disbursements made by the Nominee in respect of the Property in accordance with this Agreement will be made as the agent of and for the account of the Owner, as principal, and the Owner will reimburse the Nominee for any amount reasonably and properly expended by the Nominee in connection with the Property with the consent or direction of the Owner, but the Nominee will not receive any fee or remuneration from the Owner for acting under this Agreement.

4. Nominee's Representations

The Nominee represents and warrants to the Owner that the Nominee is a company duly incorporated under the *Business Corporations Act* (British Columbia) and neither carries on nor intends to carry on a business that is a trust business as defined in the *Financial Institutions Act* (British Columbia).

5. Indemnity by Owner

The Owner agrees to indemnify and save harmless the Nominee against any and all liability, loss, cost, action, claim or expense resulting from the Nominee's holding of title to or dealing with the Property as directed by the Owner from time to time, except to the extent that the same results from a dishonest, fraudulent or negligent act or omission of the Nominee or its employees or agents.

6. Notices

Any notice given pursuant to or in connection with this Agreement will be in writing and delivered personally to the party for whom it is intended to be addressed at the address of such party last known to the other party.

7. Further Assurances

The Nominee will perform all such other acts and things and execute all such other documents as are necessary or desirable in the reasonable opinion of the Owner to evidence or carry out the terms and intent of this Agreement.

8. Gender and Number

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

9. Governing Law

This Agreement and all matters arising under it will be governed by and construed in accordance with the laws of British Columbia, which will be deemed to be the proper law of this Agreement, and the courts of British Columbia will have the non-exclusive jurisdiction to entertain and determine all claims and

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disputes arising out of or in any way connected with this Agreement and the validity, existence and enforceability of this Agreement.

10. No Waiver

No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited in this Agreement, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.

11. Amendment

This Agreement may be altered or amended only by an agreement in writing signed by the parties.

12. Enurement

This Agreement enures to the benefit of and is binding upon the respective successors, legal representatives and assigns of the parties.

13. Counterpart

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument and notwithstanding their date of execution, shall be deemed to bear the date set forth on page 1 hereof. To evidence its execution of an original counterpart of this Agreement, a party may send a copy of its original signature on the execution page hereof to the other parties by fax or by electronic mailing in Portable Document Format (**"PDF"**) and if so executed and delivered, this Agreement shall be for all purposes as effective as if the parties had delivered an executed original agreement. Each party hereby irrevocably consents to and authorizes each other party and its solicitors to consolidate the signed pages of each such executed counterpart into a single document, which consolidated document shall be deemed to be a fully executed original copy of this Agreement as though all parties had executed the same document.

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

27222 LOUGHEED HIGHWAY HOLDINGS LTD.

____

By: Authorized Signatory

SKAW PROPERTIES LTD.

____

By: Authorized Signatory

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This is Exhibit "C" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

(39)

DECLARATION OF BARE TRUST AND AGENCY AGREEMENT

THIS AGREEMENT dated as of September 30, 2019.

BETWEEN:

27222 LOUGHEED HIGHWAY HOLDINGS LTD. (Inc. No. BC1222829)
of 145 Golden Drive, Coquitlam, BC V3K 6T1

(the "**Nominee**")

AND:

SKAW PROPERTIES LTD. (Inc. No. BC0957820)
of 145 Golden Drive, Coquitlam, BC V3K 6T1

(the "**Owner**")

WHEREAS:

A. The Nominee will acquire legal title to the lands and premises located at 27222 Lougheed Highway, Maple Ridge, BC, and legally described as:

Parcel Identifier 024-337-285, Parcel 1 District Lot 433 Group 1 NWD Plan LMP39524

(the "**Property**")

B. Legal title to the Property will be registered in the name of the Nominee, and the Nominee will acquire and hold legal title to the Property, as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner, in accordance with this Agreement.

THEREFORE in consideration of these premises and $1.00 now paid by the Owner to the Nominee, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Appointment

The Owner appoints the Nominee as its nominee, agent and bare trustee to hold legal title to the Property for and on behalf of the Owner in accordance with this Agreement, with full power to manage and deal with the Property and execute any instrument, document or encumbrance in respect of the Property for the sole benefit and account of the Owner, all at the direction of the Owner as principal and beneficial owner and strictly in accordance with this Agreement, and the Nominee accepts such appointment.

2. Nominee's Agreements

The Nominee acknowledges and agrees that:

(a) the Nominee will acquire and will hold the legal title to the Property as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner and the Nominee will have no equitable or beneficial interest in the Property, and the equitable and beneficial interest in the Property will be vested solely and exclusively in the Owner;

(40)

(b) the Nominee will hold legal title to the Property as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner subject to and in accordance with this Agreement and subject to the terms and conditions of any transfer, deed, lease, sublease, mortgage, debenture, security agreement, easement, right of way, licence, restrictive covenant or other instrument, document or encumbrance pertaining to the Property;

(c) any benefit, interest, profit or advantage arising out of or accruing from the Property is and will continue to be a benefit, interest, profit or advantage of the Owner and if received by the Nominee will be received and held by the Nominee for the sole use, benefit and advantage of the Owner and the Nominee will account to the Owner for any money or other consideration paid to or to the order of the Nominee in connection with the Property as directed in writing by the Owner;

(d) the Nominee will, upon the direction of the Owner, deal with the Property and do all acts and things in respect of the Property at the expense of and as directed by the Owner from time to time and will assign, transfer, convey, lease, mortgage, pledge, charge, or otherwise deal with the Property or any portion of the Property at any time and from time to time in such manner as the Owner may determine, to the extent permitted under all relevant laws; without limiting the generality of the foregoing, the Nominee will transfer legal title to the Property to or as directed by the Owner forthwith upon the written demand of the Owner;

(e) the Nominee will, upon and in accordance with the direction of the Owner, act as the agent of the Owner, as undisclosed principal, in respect of any matter relating to the Property or the performance or observance of any contract or agreement relating to the Property;

(f) acting under this Agreement at the direction of the Owner, the Nominee will have the full right and power to execute and deliver, under seal and otherwise, any transfer, deed, statement of adjustments, plan, lease, sublease, easement, right of way, licence, restrictive covenant, building scheme, release or other instrument or document pertaining to the Property without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;

(g) acting under this Agreement at the direction of the Owner, the Nominee will have the full right and power to borrow money from time to time and to covenant to repay money borrowed by the Owner either alone or with others from time to time and to secure the repayment of any and all indebtedness and liabilities with respect to any amounts so borrowed by the grant of any charge or encumbrance (both fixed and floating) on, or security interest in, the Property or any part thereof, by way of debenture, mortgage, assignment of rents, assignment of sale proceeds, security agreement or other instrument or document without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;

(h) the Nominee will not deal with the Property in any way or execute any instrument, document or encumbrance in respect of the Property without the prior consent or direction of the Owner; and

(i) the Nominee will notify the Owner forthwith upon receipt by the Nominee of notice of any matter or thing in respect of the Property or any portion of the Property, including, without limitation, in respect of any tax, lien, charge or encumbrance in respect of the Property.

3. Reimbursement of Expenses

Any payments or disbursements made by the Nominee in respect of the Property in accordance with this Agreement will be made as the agent of and for the account of the Owner, as principal, and the Owner will reimburse the Nominee for any amount reasonably and properly expended by the Nominee in connection with the Property with the consent or direction of the Owner, but the Nominee will not receive any fee or remuneration from the Owner for acting under this Agreement.

4. Nominee's Representations

The Nominee represents and warrants to the Owner that the Nominee is a company duly incorporated under the *Business Corporations Act* (British Columbia) and neither carries on nor intends to carry on a business that is a trust business as defined in the *Financial Institutions Act* (British Columbia).

5. Indemnity by Owner

The Owner agrees to indemnify and save harmless the Nominee against any and all liability, loss, cost, action, claim or expense resulting from the Nominee's holding of title to or dealing with the Property as directed by the Owner from time to time, except to the extent that the same results from a dishonest, fraudulent or negligent act or omission of the Nominee or its employees or agents.

6. Notices

Any notice given pursuant to or in connection with this Agreement will be in writing and delivered personally to the party for whom it is intended to be addressed at the address of such party last known to the other party.

7. Further Assurances

The Nominee will perform all such other acts and things and execute all such other documents as are necessary or desirable in the reasonable opinion of the Owner to evidence or carry out the terms and intent of this Agreement.

8. Gender and Number

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

9. Governing Law

This Agreement and all matters arising under it will be governed by and construed in accordance with the laws of British Columbia, which will be deemed to be the proper law of this Agreement, and the courts of British Columbia will have the non-exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this Agreement and the validity, existence and enforceability of this Agreement.

10. No Waiver

No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited in this Agreement, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.

11. Amendment

This Agreement may be altered or amended only by an agreement in writing signed by the parties.

12. Enurement

This Agreement enures to the benefit of and is binding upon the respective successors, legal representatives and assigns of the parties.

13. Counterpart

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument and notwithstanding their date of execution, shall be deemed to bear the date set forth on page 1 hereof. To evidence its execution of an original counterpart of this Agreement, a party may send a copy of its original signature on the execution page hereof to the other parties by fax or by electronic mailing in Portable Document Format ("PDF") and if so executed and delivered, this Agreement shall be for all purposes as effective as if the parties had delivered an executed original agreement. Each party hereby irrevocably consents to and authorizes each other party and its solicitors to consolidate the signed pages of each such executed counterpart into a single document, which consolidated document shall be deemed to be a fully executed original copy of this Agreement as though all parties had executed the same document.

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

27222 LOUGHEED HIGHWAY HOLDINGS LTD.

By: Authorized Signatory

SKAW PROPERTIES LTD.

By: Authorized Signatory

(43)

This is Exhibit "**D**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta

Commission expires: June 3, 2028

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NO. H-250918
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BARRY CHARLES HOLDINGS LTD.
BECISION HOLDING CORPORATION
G.I.H. PROPERTIES LTD.
MCVICAR & COMPANY HOLDINGS INC.
TNL DEVELOPMENTS LTD.
AMAN GILL
PETER CHAPPELL
SANDRA CHAPPELL
TERESA GAUTREAU

PETITIONER

AND:

27222 LOUGHEED HIGHWAY HOLDINGS LTD.
145 GOLDEN DRIVE LTD.
SKAW PROPERTIES LTD.
WHITEWATER CONCRETE LTD.
WHITEWATER DEVELOPMENTS LTD.
KRYSTLE HOLDINGS LTD.
BASTIAN HOLDINGS LTD.
TRILOGY CONCRETE 2021 LTD.
ROBERT KYLE SMITH
CRAIG ALLEN SMITH
ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION
(ORDER NISI)

BEFORE ASSOCIATE JUDGE PECK	))))	27TH DAY OF OCTOBER, 2025

THE HEARING of the Petition coming on for hearing on the 27th day of October, 2025 at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, AND UPON HEARING Heather A. Frydenlund, Counsel for the Petitioner, and no one else appearing although duly served.

(45)

THIS COURT DECLARES THAT:

1. A form of *inter alia* mortgage and assignment of rents made between the Petitioners, BARRY CHARLES HOLDINGS LTD., BECISION HOLDING CORPORATION, G.I.H. PROPERTIES LTD., MCVICAR & COMPANY HOLDINGS INC., TNL DEVELOPMENTS LTD., AMAN GILL, PETER CHAPPELL, SANDRA CHAPPELL, and TERESA GAUTREAU, as Mortgagees, and the Respondents, 27222 LOUGHEED HIGHWAY HOLDINGS LTD. and 145 GOLDEN DRIVE LTD., as Mortgagors, and SKAW PROPERTIES LTD., WHITEWATER CONCRETE LTD., WHITEWATER DEVELOPMENTS LTD., KRYSTLE HOLDINGS LTD., BASTIAN HOLDINGS LTD., TRILOGY CONCRETE 2021 LTD., ROBERT KYLE SMITH, and CRAIG ALLEN SMITH, as Covenantors, dated February 23, 2024, and registered on February 27, 2024 at the New Westminster Land Title Office under numbers CB1182040 and CB1182041, respectively (collectively, the "**Mortgage**") is a Mortgage charging the following lands and premises:

Civic: 27222 Lougheed Highway, Maple Ridge, V2W 1M4
PID: 024-337-285
PARCEL 1 DISTRICT LOT 433 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP39524

(the "**Lougheed Property**")

Civic: 145 Golden Drive, Coquitlam, B.C. V3K 6T1
PID: 023-895-128
LOT 3 DISTRICT LOT 67 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP35071

(the "**Golden Drive Property**")

2. the Golden Drive Property has sold;

3. ranking in priority to the interests in the Lougheed Property of the Respondents and each of them, and their respective heirs, executors, administrators, successors and assigns and all persons claiming by, through or under them;

THIS COURT DECLARES AND ORDERS THAT:

4. there has been default under the Mortgage and that the last date for redemption shall be April 27, 2026 (the "**Redemption Date**");

5. the amount of money due and owing under the Mortgage, and the amount of money required to redeem the Lougheed Property is $3,245,427.38 on this date, plus interest thereon at the rate of 12%,

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calculated and compounded monthly, not in advance, and being a current daily rate of $1,064.53, accruing from this date to and including the date of payment, plus the assessed costs of the Petitioners of an in connection with this proceeding (collectively, the "**Amount Required to Redeem**");

6. the Respondents, LOUGHEED HIGHWAY HOLDINGS LTD., SKAW PROPERTIES LTD., KRYSTLE HOLDINGS LTD., BASTIAN HOLDINGS LTD., ROBERT KYLE SMITH, and CRAIG ALLEN SMITH, jointly or severally pay to the Petitioners the sum of $3,245427.38, plus interest thereon and the Petitioners' assessed costs of and in connection with this proceeding;

7. Judgment against Trilogy Concrete 2021 Ltd., 145 Golden Drive Ltd., Whitewater Concrete Ltd., and Whitewater Developments Ltd., is adjourned generally;

8. if the Lougheed Property is not redeemed, the Petitioners shall be at liberty to apply for an Order Absolute and upon pronouncement of an Order Absolute then the Respondents, 27222 LOUGHEED HIGHWAY HOLDINGS LTD. and 145 GOLDEN DRIVE LTD., and their heirs, executors, administrators, successors and assigns of the said Respondents and all persons claiming by, through or under them shall henceforth stand absolutely debarred and foreclosed of and from all right, title, interest and equity of redemption in or to the Lougheed Property, and shall immediately deliver to the Petitioners vacant possession of the Lougheed Property;

9. upon the Respondents, LOUGHEED HIGHWAY HOLDINGS LTD., 145 GOLDEN DRIVE LTD., SKAW PROPERTIES LTD., WHITEWATER CONCRETE LTD., WHITEWATER DEVELOPMENTS LTD., KRYSTLE HOLDINGS LTD., BASTIAN HOLDINGS LTD., ROBERT KYLE SMITH, and CRAIG ALLEN SMITH, paying into the Vancouver Registry of this Honourable Court at 800 Smithe Street, Vancouver, British Columbia, or to the solicitors for the Petitioners or if no such solicitor exists to the Petitioners, the Amount Required to Redeem before pronouncement of Order Absolute or an Order approving a sale of the Lougheed Property, then the Petitioners shall reconvey the Lougheed Property free and clear of all encumbrances in favour of it or by any person claiming by, through or under it, to the said Respondents or Respondents who made payment;

10. the Petitioners are at liberty to apply to this Court for an Order directing an inquiry, assessment or accounting to be held of any amounts due to the Petitioners pursuant to the Mortgage for principal, simple or compound interest, taxes, utilities, insurance expenses, legal or collection expenses, costs, charges or otherwise which are not included in the Amount Required to Redeem, whether such amounts become due before or after the date of pronouncement of this Order, and for an Order varying the Amount Required to Redeem and the Judgment in this Order accordingly;

(47)

AS

11. the Petitioners' costs to and including this Order be assessed on a party and party scale ~~B~~ A basis, and the Petitioners are at liberty to apply for an Order that any of its costs after this Order be assessed on a different basis.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Heather A. Frydenlund,
Counsel for the Petitioners,
Barry Charles Holdings Ltd.,
Becision Holding Corporation,
G.I.H. Properties Ltd.,
McVicar & Company Holdings Ltd.,
TNL Developemnts Ltd.,
Aman Gill,
Peter Chappell,
Sandra Chappell, and
Teresa Gautreau

BY THE COURT

REGISTRAR

KM

(48)

NO. H-250918
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BARRY CHARLES HOLDINGS LTD.
BECISION HOLDING CORPORATION
G.I.H. PROPERTIES LTD.
MCVICAR & COMPANY HOLDINGS INC.
TNL DEVELOPMENTS LTD.
AMAN GILL
PETER CHAPPELL
SANDRA CHAPPELL
TERESA GAUTREAU

PETITIONER

AND:

27222 LOUGHEED HIGHWAY HOLDINGS LTD.
145 GOLDEN DRIVE LTD.
SKAW PROPERTIES LTD.
WHITEWATER CONCRETE LTD.
WHITEWATER DEVELOPMENTS LTD.
KRYSTLE HOLDINGS LTD.
BASTIAN HOLDINGS LTD.
TRILOGY CONCRETE 2021 LTD.
ROBERT KYLE SMITH
CRAIG ALLEN SMITH
ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION
(ORDER NISI)

BRIAN C. MARKUS
Barrister and Solicitor
#930 - 777 Hornby Street
Vancouver, B.C.
V6Z 1S4
Telephone: 604-623-3335
Fax: 604-688-9981
Email: bcm@lightspeed.ca
File No. **7438-089**
BCM/sf

This is Exhibit "**E**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

(50)

NO. H-250918
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BARRY CHARLES HOLDINGS LTD.
BECISION HOLDING CORPORATION
G.I.H. PROPERTIES LTD.
MCVICAR & COMPANY HOLDINGS INC.
TNL DEVELOPMENTS LTD.
AMAN GILL
PETER CHAPPELL
SANDRA CHAPPELL
TERESA GAUTREAU

PETITIONERS

AND:

27222 LOUGHEED HIGHWAY HOLDINGS LTD.
145 GOLDEN DRIVE LTD.
SKAW PROPERTIES LTD.
WHITEWATER CONCRETE LTD.
WHITEWATER DEVELOPMENTS LTD.
KRYSTLE HOLDINGS LTD.
BASTIAN HOLDINGS LTD.
TRILOGY CONCRETE 2021 LTD.
ROBERT KYLE SMITH
CRAIG ALLEN SMITH
ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION
(CONDUCT OF SALE)

BEFORE ASSOCIATE JUDGE	)	
Vos	)	28th DAY OF MAY, 2026
	)	

ON THE APPLICATION of the Petitioners, Barry Charles Holdings Ltd., Becision Holding Corporation, G.I.H. Properties Ltd., McVicar & Company Holdings Inc., TNL Developments Ltd., Aman Gill, Peter Chappell, Sandra Chappell, and Teresa Gautreau;

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COMING ON FOR HEARING at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, on May 28, 2026, and on hearing Heather A. Frydenlund, counsel for the Petitioners, and no one else appearing although duly served;

THIS COURT DECLARES AND ORDERS THAT:

1. the lands and premises situated in the City of Maple Ridge, in the Province of British Columbia, being more particularly known and described as:

Civic: 27222 Lougheed Highway, Maple Ridge, BC
PID: 024-337-285
Legal: PARCEL 1 DISTRICT LOT 433 GROUP 1
NEW WESTMINSTER DISTRICT PLAN LMP39524

(the "**Mortgaged Property**")

be offered for sale forthwith, by private sale, free and clear of all encumbrances of the parties.

2. The Petitioners have exclusive Conduct of Sale and be at liberty forthwith to list the Mortgaged Property for sale for a period commencing forthwith until further Order of the Court, and to do all things incidental thereto, including to list the same with one or more duly licensed real estate agents or firms, to post signs on the Mortgaged Property indicating that the Mortgaged Property is offered for sale, to accept any offer to purchase, subject to the approval of this Honourable Court and to pay such real estate agent or firm who may arrange a sale of the Mortgaged Property on this Honourable Court's approval of said sale of the Mortgaged Property, earned commission based on the gross selling price, such commission to be at a rate not exceeding seven percent (7%) on the first $100,000.00 of the gross selling price and 2.5% on the balance of the gross selling price.

3. Any sale shall be subject to the approval of the Court unless otherwise agreed to in writing by all parties.

4. The Respondents, 27222 LOUGHEED HIGHWAY HOLDINGS LTD. and 145 GOLDEN DRIVE LTD., or any person or persons on behalf of the said Respondents, including any person or persons in possession of the Mortgaged Property, do forthwith and until further Order of this Court, permit any duly authorized agent on behalf of the Petitioners to inspect, appraise, or show to any prospective purchaser the Mortgaged Property, between the hours of 9:00 in the forenoon and

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7:00 in the afternoon on any day of the week, including Sundays, and except holidays, and to post signs on the Mortgaged Property stating that the Mortgaged Property is offered for sale. If the Mortgaged Property appear to be vacant or abandoned the Petitioner, or his agents, are hereby authorized to enter the premises for the purpose of showing same to prospective purchasers.

5. The costs of and in connection with this application be awarded to the Petitioners on a party/party Scale A basis, with liberty for the Petitioner to apply for costs at any subsequent applications at a different Scale.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Heather A. Frydenlund,
Counsel for the Petitioners,
Barry Charles Holdings Ltd.,
Becision Holding Corporation,
G.I.H. Properties Ltd.,
McVicar & Company Holdings Inc.,
TNL Developments Ltd.,
Aman Gill,
Peter Chappell,
Sandra Chappell,
and Teresa Gautreau

BY THE COURT

REGISTRAR

CHECKED

(53)

NO. H-250918
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BARRY CHARLES HOLDINGS LTD.
BECISION HOLDING CORPORATION
G.I.H. PROPERTIES LTD.
MCVICAR & COMPANY HOLDINGS INC.
TNL DEVELOPMENTS LTD.
AMAN GILL
PETER CHAPPELL
SANDRA CHAPPELL
TERESA GAUTREAU

PETITIONERS

AND:

27222 LOUGHEED HIGHWAY HOLDINGS LTD.
145 GOLDEN DRIVE LTD.
SKAW PROPERTIES LTD.
WHITEWATER CONCRETE LTD.
WHITEWATER DEVELOPMENTS LTD.
KRYSTLE HOLDINGS LTD.
BASTIAN HOLDINGS LTD.
TRILOGY CONCRETE 2021 LTD.
ROBERT KYLE SMITH
CRAIG ALLEN SMITH
ALL TENANTS OR OCCUPIERS OF THE
SUBJECT LANDS AND PREMISES

RESPONDENTS

ORDER MADE AFTER APPLICATION
(CONDUCT OF SALE)

BRIAN C. MARKUS
Barrister and Solicitor
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Vancouver, B.C. V6Z 1S4
Telephone: 604-623-3335
Fax: 604-688-9981
Email: bcm@lightspeed.ca
File No. 7438-089
BCM/sf

(54)

This is Exhibit "**F**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

(55)

SUPREME COURT OF BRITISH COLUMBIA
SEAL
27-Jan-26
Vancouver
REGISTRY

Court File No. VLC-S-S-260580

No. ______________
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

BETWEEN

BDO CANADA LIMITED,
in its capacity as the Trustee in Bankruptcy of
145 GOLDEN DRIVE LTD.

PLAINTIFF

AND

27222 LOUGHEED HIGHWAY HOLDINGS LTD., SKAW PROPERTIES LTD., and BUSINESS DEVELOPMENT BANK OF CANADA

DEFENDANTS

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

(a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and

(b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

(c) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and

(d) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

Time for response to civil claim

A response to civil claim must be filed and served on the plaintiff,

(a) if you were served with the notice of civil claim anywhere in Canada, within 21 days after that service,

(b) if you were served with the notice of civil claim anywhere in the United States of America, within 35 days after that service,

(c) if you were served with the notice of civil claim anywhere else, within 49 days after that service, or

(d) if the time for response to civil claim has been set by order of the court, within that time.

Claim of the Plaintiff

PART 1: STATEMENT OF FACTS

The Parties

1. 145 Golden Drive Ltd. ("**Golden**") was incorporated as a British Columbia company on November 10, 2011.

2. Pursuant to a Bankruptcy Order granted on December 23, 2025 by the Supreme Court of British Columbia (the "**Court**") in action number 250321, among other things, Golden was adjudged bankrupt and BDO Canada Limited was appointed trustee of the estate of Golden.

3. The Plaintiff, BDO Canada Limited, advances this claim in its capacity as the trustee in bankruptcy of Golden (in such capacity, the "**Plaintiff**"). The Plaintiff has an address for service in this matter at c/o MLT Aikins LLP, Suite 2600, 1066 West Hastings Street, Vancouver, BC V6E 3X2.

4. The Defendant, 27222 Lougheed Highway Holdings Ltd. ("**Lougheed**"), was incorporated as a British Columbia company on September 10, 2019. Lougheed has its registered and records office at c/o Paul C. Weir Law Corporation, Unit 2 - 107 Kings Road West, North Vancouver, BC V7N 2L7.

5. The Defendant, Skaw Properties Ltd. ("**Skaw**"), was incorporated as a British Columbia company on December 17, 2012. Skaw has its registered and records office at c/o Paul C. Weir Law Corporation, Unit 2 - 107 Kings Road West, North Vancouver, BC V7N 2L7.

6. Lougheed and Skaw are collectively referred to as the "**Principal Debtors**".

7. The Defendant, Business Development Bank of Canada ("**BDC**") was incorporated under a Special Act of the Parliament of Canada. BDC has a head office in Montreal, Quebec and a business centre at Suite 200 - 505 Burrard Street, Vancouver, British Columbia, V7X 1M3.

8. As discussed below, Golden guaranteed the repayment of certain loans advanced by BDC to the Principal Debtors.

9. The Principal Debtors and BDC are collectively referred to as the "**Defendants**".

The Golden Loan Agreement

10. Pursuant to a letter of offer dated August 23, 2019, BDC, as lender, advanced Golden, as borrower, loans in the aggregate principal amount of $12,000,000 (the "**Golden Loan Agreement**").

11. Pursuant to the Golden Loan Agreement, as at June 19, 2024, Golden owed BDC approximately $10,500,000 (the "**Golden Direct BDC Debt**").

The Lougheed Loan Agreement and the Lougheed Guarantee

12. Pursuant to a letter of offer dated August 23, 2019, BDC, as lender, advanced Lougheed and Skaw, as borrowers, loans in the aggregate principal amount of $15,000,000 (the "**Lougheed Loan Agreement**").

13. Pursuant to a guarantee dated September 27, 2019, granted by Golden in favour of BDC (the "**Lougheed Guarantee**"), Golden agreed to repay to BDC the amounts owing by the Principal Debtors to BDC pursuant to the Lougheed Loan Agreement up to at the maximum amount of $15,000,000.

14. As at April 16, 2025, Golden's obligations under the Lougheed Guarantee totalled approximately $12,700,000.

The Whitewater Loan Agreement and the Whitewater Guarantee

15. Pursuant to a letter of offer dated July 15, 2022, BDC, as lender, advanced Whitewater Concrete Ltd. ("**Whitewater**"), as borrower, certain loans in the aggregate principal amount of $3,367,200 (the "**Whitewater Loan Agreement**").

16. Pursuant to a guarantee dated September 15, 2022, granted by Golden in favour of BDC (the "**Whitewater Guarantee**"), Golden agreed to repay to BDC the amounts owing by Whitewater to BDC pursuant to the Whitewater Loan Agreement up to at the maximum amount of $3,367,200.

The Golden Property Mortgage

17. Golden's obligations to BDC in respect of the Lougheed Guarantee, the Whitewater Guarantee, and the Golden Direct BDC Debt, were secured pursuant to, among other security documents, a mortgage and an assignment of rents dated September 27, 2019, granted by Golden in favour of BDC with respect to the Golden Property (as defined below) and registered at the Land Titles Office under charge numbers CA7778101 and CA7778102.

Golden Property Receivership

18. Pursuant to a Receivership Order granted on July 2, 2024 by the Court in action number H-240524 (the "**Receivership Action**"), Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**") without security of, among other things, certain assets and property of Whitewater and the real property owned by Golden located at 145 Golden Drive in Coquitlam, BC and legally described as:

Parcel Identifier: 023-895-128

Legal Description: LOT 3 DISTRICT LOT 67 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP35071

(58)

(the "**Golden Property**").

Sale of the Golden Property and Distribution to BDC

19. Pursuant to a Sale Approval Order granted in the Receivership Action on July 3, 2025, the Court approved the sale of the Golden Property. The Receiver completed the transaction in respect of this sale on July 30, 2025 for a total sale price of $21,218,000.

20. Pursuant to an Approval of Activities and Interim Distribution Order granted on September 4, 2025, the Court authorized and directed the Receiver to make an initial distribution to BDC in the amount of approximately $20,989,966 (the "**First BDC Distribution**"), in partial satisfaction of Golden's obligations to BDC in respect of the Golden Direct BDC Debt, the Lougheed Guarantee, and the Whitewater Guarantee.

21. As at September 24, 2025, the Receiver estimated that, after the First BDC Distribution, Golden owed BDC approximately $7.5 million with accrued interest and other costs in respect of the Golden Direct BDC Debt, the Lougheed Guarantee, and the Whitewater Guarantee (the "**BDC Remaining Debt**").

22. Pursuant to the First BDC Distribution and the Lougheed Guarantee, on September 10, 2025, BDC applied the amount of $5,901,243.88 from the proceeds of the sale of the Golden Property towards the indebtedness owing by the Principal Debtors to BDC pursuant to the Lougheed Loan Agreement.

The Lougheed Property

23. Lougheed is the registered owner of the lands located at 27222 Lougheed Highway, Maple Ridge, BC and legally described as:

> Parcel Identifier: 024-337-285
>
> Legal Description: PARCEL 1 DISTRICT LOT 433 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP39524

(the "**Lougheed Property**").

24. Skaw is the beneficial owner of the Lougheed Property.

25. The BDC Remaining Debt is secured by, among other security documents:

a) a mortgage and an assignment of rents over the Lougheed Property granted by Lougheed in favour of BDC and registered at the Land Titles Office under registration numbers CA7778099 and CA7778100; and

b) an equitable mortgage and estoppel dated September 30, 2019 granted by Lougheed and Skaw in favour of BDC,

(collectively, the "**BDC Lougheed Mortgage**").

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Claim for Indemnity and/or Contribution

26. The Principal Debtors, as principal debtors, failed to repay BDC the amounts that the Principal Debtors owed BDC. This failure triggered Golden's liability as guarantor under the Lougheed Guarantee.

27. As a result, Golden suffered losses, including the sale of the Golden Property by the Receiver and the use of the proceeds thereof to satisfy Golden's liability under the Lougheed Guarantee for $5,901,243.88 or such other amount that may be proven at the trial of this action.

28. Golden, as guarantor, is entitled to be indemnified by the Principal Debtors, as principal debtors, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

29. Further or in the alternative, Golden is entitled to contribution by the Principal Debtors for Golden's liability under the Lougheed Guarantee for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

Charge on the Lougheed Property

30. Golden is entitled to stand in place of BDC and to use all remedies available to BDC against the Principal Debtors, including enforcing the BDC Lougheed Mortgage, in order for Golden to obtain from the Principal Debtors indemnification for the loss sustained by Golden pursuant to the sale of the Golden Property and the First BDC Distribution.

31. A guarantor for a mortgagor, who pays part of the mortgage, is entitled, as against the mortgagor, to a charge on the mortgaged lands. As a result, Golden is entitled to a charge on the Lougheed Property, ranking only subsequent to the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

Assignment of BDC's Securities

32. Further or in the alternative, Golden is entitled to have assigned to it the security that is held by BDC in respect of the Lougheed Loan Agreement, including the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

33. Specifically, as a result of the sale of the Golden Property and the First BDC Distribution, Golden paid, in part, the debt owed by Lougheed to BDC. Accordingly, Golden performed its obligations and duties, in part or in full, under the Lougheed Guarantee, which entitles it to a partial or full assignment of the BDC Lougheed Mortgage.

Unjust Enrichment and Restitution

34. Further or in the alternative, pursuant to the sale of the Golden Property and the First BDC Distribution, the Principal Debtors have been enriched by receiving the benefit of having their liability to BDC reduced by the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

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35. In addition, Golden has suffered a corresponding deprivation, being deprived of the proceeds of the sale of the Golden Property in the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

36. There is no juristic reason for the Principal Debtors' enrichment. Golden is entitled to restitution as a result of the Principal Debtors' unjust enrichment.

Constructive Trust

37. As discussed above, pursuant to the First BDC Distribution, the Receiver applied the proceeds from the sale of the Golden Property towards the repayment of amounts that the Principal Debtors owed BDC, including amounts secured by the Lougheed Guarantee and the BDC Lougheed Mortgage.

38. The proceeds from the sale of the Golden Property were applied towards obligations secured by the BDC Lougheed Mortgage and, as a result, these proceeds were used to maintain the Lougheed Property.

39. Accordingly, Golden states that there is a substantial and direct link, a causal connection and/or a nexus between (i) its claim against the Principal Debtors for indemnity and/or contribution under the Lougheed Guarantee and for unjust enrichment, and (ii) the Lougheed Property.

40. In addition, a monetary award against the Principal Debtors is inadequate, insufficient or inappropriate in the circumstances given that, among other things, one or both Principal Debtors are insolvent.

41. Accordingly, Golden claims a constructive trust, substantive or remedial, in the Lougheed Property.

Equitable Mortgage

42. Further or in the alternative, at all material times, there was an express or implied agreement between, and a common intention shared by, Golden and the Principal Debtors to create and grant an equitable mortgage and an equitable interest in the Lougheed Property to Golden as security for the Principal Debtors' obligations to Golden in respect of the Lougheed Guarantee, including obligations owing by the Principal Debtors to Golden for indemnity and/or contribution.

43. Further or in the alternative, Golden states that the acts of each of Golden and the Principal Debtors, as proven at the trial of this action, are consistent with an agreement for a security interest in the Lougheed Property in favour of Golden.

PART 2: RELIEF SOUGHT

1. The Plaintiff claims:

   a. judgment against the Principal Debtors, jointly and severally, in the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action;

b. a declaration that Golden is entitled to a charge against the Lougheed Property, ranking only subsequent to the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action;

c. a declaration that Golden is entitled to a partial or full assignment of BDC's security against the Principal Debtors, including the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action;

d. a declaration that Golden is entitled to a constructive trust in the Lougheed Property;

e. a declaration that Golden is entitled to an equitable mortgage over and an equitable interest in the Lougheed Property;

f. an order that a Certificate of Pending Litigation be registered against title to Lougheed Property;

g. costs of this action against the Defendants, on a solicitor-client basis, or in the alternative, costs; and

h. such further and other relief as this Honourable Court may deem appropriate.

PART 3: LEGAL BASIS

1. Golden, as guarantor under the Lougheed Guarantee, suffered losses as a result of the failure of the Principal Debtors, as principal debtors, to meet their obligations to BDC. The Principal Debtors are liable for indemnity and/or, in the alternative, for contribution, to Golden.

2. Pursuant to the *Law and Equity Act*, RSBC 1996, c 253, as amended, including section 34 thereof, the common law, and /or equitable principles:

   a. A guarantor is entitled to stand in place of a creditor, and to have the benefit of all the remedies and advantages which the creditor had against the principal debtor. Specifically, a guarantor for a mortgagor, who pays part of the mortgage, is entitled, as against the mortgagor, to a charge on the mortgaged lands.

   b. As a result, Golden is entitled to stand in place of BDC and to use all remedies available to BDC against the Principal Debtors, including enforcing the BDC Lougheed Mortgage, in order for Golden to obtain from the Principal Debtors indemnification for the loss sustained by Golden pursuant to the sale of the Golden Property and the First BDC Distribution.

   c. Accordingly, Golden is entitled to a charge on the Lougheed Property, ranking only subsequent to the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action

   d. A guarantor that paid, in part or in full, a guaranteed debt or performed, in part or in full, its duty under a guarantee is entitled to a partial or full assignment of security that is held by the creditor in respect of the debt or duty.

e. Specifically, Golden is entitled to have assigned to it the security that is held by BDC in respect of the Lougheed Loan Agreement, including the BDC Lougheed Mortgage, for the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

3. Further or in the alternative, Golden's right of indemnity and/or contribution is founded on the principle of unjust enrichment and is restitutionary in nature.

4. The Principal Debtors have been enriched by receiving the benefit of having their liability to BDC reduced by the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

5. In addition, Golden has suffered a corresponding deprivation, being deprived of the proceeds of the sale of the Golden Property in the amount of $5,901,243.88 or such other amount that may be proven at the trial of this action.

6. There is no juristic reason for the Principal Debtors' enrichment.

7. Constructive trusts are equitable remedies available for acts such as unjust enrichment or restitution.

8. A claim for a constructive trust is sufficient to sustain the registration of a certificate of pending litigation.

9. There is a substantial and direct link, a causal connection and/or a nexus between (i) Golden's claim against Lougheed for contribution and/or indemnity under the Lougheed Guarantee and for unjust enrichment, and (ii) the Lougheed Property.

10. A monetary award against the Principal Debtors is inadequate, insufficient or inappropriate in the circumstances given that, among other things, one or both Principal Debtors are insolvent.

11. Further or in the alternative, the agreement(s) between, and the actions and intentions of, Golden and the Principal Debtors justify an equitable mortgage in favour of Golden and against the Lougheed Property.

12. A claim for an equitable mortgage is sufficient to establish an interest in land and, accordingly, is sufficient to sustain the registration of a certificate of pending litigation against the Lougheed Property.

Plaintiff's address for service: c/o MLT Aikins LLP – Attention: William E.J. Skelly / Mihai Tomos, 2600 – 1066 West Hasting Street, Vancouver, BC V6E 3X1

Fax number address for service (if any):

E-mail address for service (if any): wskelly@mltaikins.com / mtomos@mltaikins.com

Place of trial: Vancouver, BC

The address of the registry is: Vancouver Law Courts, 800 Smithe Street, Vancouver

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Date: January 27, 2026

Signature of William E.J. Skelly/Mihai Tomos
☒ Lawyer for Plaintiff

Rule 7-1 (1) of the Supreme Court Civil Rules states:

(1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
   (a) prepare a list of documents in Form 22 that lists
      (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
      (ii) all other documents to which the party intends to refer at trial, and
   (b) serve the list on all parties of record.

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Appendix

PART 1: CONCISE SUMMARY OF NATURE OF CLAIM:

The Principal Debtors, as the principal debtors, are liable for indemnity and/or contribution to the Plaintiff, as guarantor. The Plaintiff claims, among other things: (i) judgment, (ii) a charge, a constructive trust, and/or an equitable mortgage against certain real property of the Defendant(s), and (iii) an assignment of certain security granted by the principal debtors to the creditor.

PART 2: THIS CLAIM ARISES FROM THE FOLLOWING:

A personal injury arising out of:

☐ a motor vehicle accident

☐ medical malpractice

☐ another cause

A dispute concerning:

☐ contaminated sites

☐ construction defects

☐ real property (real estate)

☐ personal property

☐ the provision of goods or services or other general commercial matters

☐ investment losses

☒ the lending of money

☐ an employment relationship

☐ a will or other issues concerning the probate of an estate

☐ a matter not listed here

PART 3: THIS CLAIM INVOLVES:

☐ a class action

☐ maritime law

☐ aboriginal law

☐ constitutional law

☐ conflict of laws

☒ none of the above

☐ do not know

This is Exhibit "**G**" referred to in the Affidavit of Valerie Lock, sworn before me at the City of Calgary, Province of Alberta, this 20 day of August, 2026.

A Commissioner for taking Affidavits for the Province of Alberta
Commission expires: June 3, 2028

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Court File No. VLC-S-S-260580
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

BETWEEN:

BDO CANADA LIMITED,
in its capacity as the Trustee in Bankruptcy of
145 GOLDEN DRIVE LTD.

PLAINTIFF

AND:

27222 LOUGHEED HIGHWAY HOLDINGS LTD.,
SKAW PROPERTIES LTD. and
BUSINESS DEVELOPMENT BANK OF CANADA

DEFENDANTS

RESPONSE TO CIVIL CLAIM

Filed by: Business Development Bank of Canada (the "Defendant BDC")

PART 1: RESPONSE TO NOTICE OF CIVIL CLAIM FACTS

Division 1 – Defendant's Response to Facts

1. The facts alleged in paragraphs 1 through 6 and paragraph 8 are, except as stated below, admitted.

2. With respect to paragraph 7, the address of the "Business Centre" of the Defendant BDC is Suite 1500, 1133 Melville Street, Vancouver, British Columbia V6E 4E5.

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3. The defendant BDC denies each and every allegation of fact in Paragraphs 10 through 25 of the Notice of Civil Claim as if reproduced and denied *seriatum*, and puts the Plaintiff to the strictest proof thereof.

4. Paragraphs 26 through 43, although under the heading STATEMENT OF FACTS, are actually mixed fact and law and will be dealt with under PART 2: RESPONSE TO RELIEF SOUGHT.

Division 2 – Defendants Version of Facts

[Using numbered paragraphs, set out the defendant's(s') version of the facts alleged in those paragraphs of the notice of civil claim that are listed above in paragraph 2 of Division 1 of this Part.]

1. The BDC Lougheed Mortgage is a first mortgage and charge on the Lougheed Property in favour of the Defendant BDC, securing all amounts remaining due and owing to the Defendant BDC, and the Defendant BDC has the right to realize upon the BDC Lougheed Mortgage on such terms and at such time or times as the Defendant BDC deems appropriate, in its sole and absolute discretion, until BDC has been paid in full.

Division 3 – Additional Facts

[If additional material facts are relevant to the matters raised by the notice of civil claim, set out, in numbered paragraphs, a concise statement of those additional material facts.]

1. N/A

PART 2: RESPONSE TO RELIEF SOUGHT

[Indicate, for each paragraph in Part 2 of the notice of civil claim, whether the defendant(s) consent(s) to, oppose(s) or take(s) no position on the granting of that relief.]

1. With respect to the Plaintiff's claims set out under the heading "PART 2: RELIEF SOUGHT", the Defendant BDC states the following:

   (a) Judgment against the principal debtors: The Defendant BDC takes no position

   (b) With respect to paragraph 1(b), being a declaration of a charge on the Lougheed Property, provided that the charge against the Lougheed Property will, as stated, rank subsequent to the BDC Lougheed Mortgage, the Defendant BDC takes no position.

   (c) With respect to paragraph 1(c), being a declaration that Golden is entitled to a partial or full assignment of the security against the principal debtor including the BDC Lougheed Mortgage, the Defendant BDC opposes the relief sought, stating that any entitlement to assignment of the Defendant BDC's security, if one exists at all, would only arise in the event that Golden paid the full amount of the debt.

   (d) With respect to paragraph 1(d), being a declaration that Golden is entitled to a constructive trust in the Lougheed Property, the Defendant BDC is not opposed to that relief provided that it does not affect the Defendant BDC's security on the Lougheed Property.

   (e) With respect to paragraph 1(e), being a declaration that Golden is entitled to an equitable mortgage, the Defendant BDC is not opposed to that relief provided that the equitable mortgage being sought is subsequent in priority to the Defendant BDC's Mortgage.

(f) With respect to paragraph 1(g) of the relief sought, being costs of the action against the Defendants, the Defendant BDC opposes any relief that seeks costs against the Defendant BDC and, in turn, seeks costs on a solicitor client or full indemnity basis against the Plaintiff or, in the alternative, costs on a scale to be determined by the Court.

(g) The Defendant BDC will seek an order that the Plaintiff post security for costs in an amount that the Court deems appropriate, and that the Plaintiff be stayed from continuing these proceedings until such time as the security for costs is posted.

Part 3: LEGAL BASIS

[Using numbered paragraphs, set out a concise summary of the legal bases on which the defendant(s) oppose(s) the relief sought by the plaintiff(s) and specify any rule or other enactment relied on. The legal bases for opposing the plaintiff's(s') relief may be set out in the alternative.]

1. Section 34 of the *Law and Equity Act*, [RSBC 1996] c. 253 requires satisfaction or payment in full of a debt by a surety before being entitled an assignment of a creditors' security, being entitled to stand in the place of a creditor (in this case BDC) and before being entitled to use any or all of the remedies of the creditor in any action or other proceeding at law or in equity, in order to obtain from the principal debtor, indemnification for the advances made and loss sustained by the person.

2. Golden has not satisfied the underlying debt to the Defendant BDC as secured by the BDC Lougheed Mortgage and therefore is not entitled to

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stand in the place of BDC or be assigned all or any of BDC's security including, but not limited to, the BDC Lougheed Mortgage.

Dated: March 31, 2026.

Signature of Lawyer for the Defendant
Business Development Bank of Canada
Douglas B. Hyndman
Kornfeld LLP

Defendant's address for service:	**KORNFELD LLP** 1100 One Bentall Centre 505 Burrard Street, Box 11 Vancouver, BC V7X 1M5
Name of the Defendant's lawyer, if any:	Douglas B. Hyndman
Email address for service:	dhyndman@kornfeldllp.com