

COURT FILE NUMBER

1903 23164

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

ATB FINANCIAL

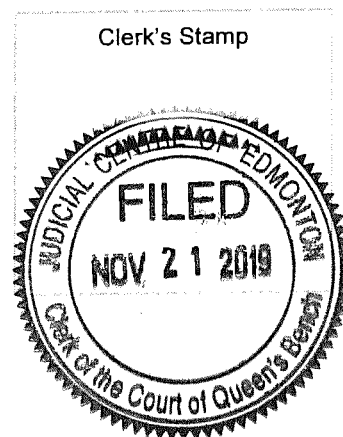
DEFENDANTS

1847845 ALBERTA LTD., 1814905
ALBERTA LTD., 1816665 ALBERTA
LTD. 1847034 ALBERTA LTD.,
HEOLEE ENTERPRISES INC., JAI
HOON IN, MYEONG SU CHONG,
KWANG RAE KIM, HAE SUK LEE,
JINHEE CHUNG also known as JIN
HEE CHUNG;, WOYOUNG HEO
also known as WOO YOUNG HEO,
KYOUNGOK LEE also known as
KYUNGOK LEE, SANGKYUN CHOI
also known as SANG KYUN CHOI

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
2700, Commerce Place
10155-102 Street
Edmonton, AB, Canada T5J 4G8
Phone: 780.429.1751
Fax: 780.424.5866
Stephanie A. Wanke
Spencer Norris
swanke@millerthomson.com
snorris@millerthomson.com
238199.8

Lawyer's
Name:
Lawyer's
Email:
File No.:



AFFIDAVIT OF DAVID HOREN

Sworn (or Affirmed) on November 18, 2019

I, DAVID HOREN, of the City of Calgary in the Province of Alberta, SWEAR AND SAY THAT:

1. I am an Account Manager of the Asset Management with ATB Financial ("ATB") and as such, have personal knowledge of the facts and matters herein deposed except where stated to be based upon information and belief, and where so stated I verily believe the same to be true.

2. I have reviewed the business records maintained by the Plaintiff herein in respect of the matters at issue I verily believe were made in the ordinary and usual course of business, and where I do not have direct personal knowledge of matters deposed herein, my knowledge is derived from my review of the business records, relevant copies of which are attached to this my Affidavit.
3. I am authorized to make this Affidavit on behalf of ATB.

DEFENDANTS

4. The Defendant, 1847845 Alberta Ltd. ("**18478 Ltd.**"), is a corporation incorporated pursuant to the laws of the Province of Alberta. Attached hereto as **Exhibit "A"** is a corporate search at the Alberta Corporate Registry of 18478 Ltd. (the "**18478 Corporate Search**")
5. 18478 Ltd. owns and operates a hotel business, which it carries on under the name of Tamarack Inn ("**Tamarack Inn**") in Rocky Mountain House, Alberta on lands owned by 18478 Ltd. and legally described as:

PLAN 0121120
BLOCK 33
LOT 7
EXCEPTING THEROUT ALL MINES AND MINERALS
AREA: 0.753 HECTARES (1.86 ACRES) MORE OR LESS

(the "**Hotel Lands**")
6. The Defendant, 1814905 Alberta Ltd. ("**18149 Ltd.**"), is a corporation incorporated pursuant to the laws of the Province of Alberta. Attached hereto as **Exhibit "B"** is a corporate search at the Alberta Corporate Registry of 18149 Ltd.
7. According to the 18478 Corporate Search, 18149 Ltd. holds 28.94% of the voting shares of 18478 Ltd.
8. The Defendant, 1816665 Alberta Ltd. ("**18166 Ltd.**"), is a corporation incorporated pursuant to the laws of the Province of Alberta. Attached hereto as **Exhibit "C"** is a corporate search at the Alberta Corporate Registry of 18166 Ltd.
9. According to the 18478 Corporate Search, 18166 Ltd. holds 26.32% of the voting shares of 18478 Ltd.
10. The Defendant, 1847034 Alberta Ltd. ("**18470 Ltd.**"), is a corporation incorporated pursuant to the laws of the Province of Alberta. Attached hereto as **Exhibit "D"** is a corporate search at the Alberta Corporate Registry of 18470 Ltd.
11. According to the 18478 Corporate Search, 18470 Ltd. holds 13.16% of the voting shares of 18478 Ltd.

12. The Defendant, Heolee Enterprises Inc., ("**Heolee**"), is a corporation incorporated pursuant to the laws of the Province of British Columbia. Attached hereto as **Exhibit "E"** is a corporate search at the British Columbia Corporate Registry of Heolee.
13. According to the 18478 Corporate Search, Heolee holds 18.42% of the voting shares of 18478 Ltd.
14. The Defendant, Kyoungok Lee, also known as Kyungok Lee, ("**Lee**"), to the best of the Plaintiff's knowledge, resides in or around the city of Surrey, British Columbia.
15. The Defendant, Wooyoung Heo, also known as Woo Young Heo, ("**Heo**"), to the best of the Plaintiff's knowledge, resides in or around the city of Surrey, British Columbia.
16. The Defendant, Jinhee Chung, also known as Jin Hee Chung ("**Chung**"), to the best of the Plaintiff's knowledge, resides in or around the city of Calgary, Alberta.
17. The Defendant, Hae Suk Lee ("**Suk Lee**") to the best of the Plaintiff's knowledge, resides in or around the city of Calgary, Alberta.
18. The Defendant, Kwang Rae Kim ("**Kim**") to the best of the Plaintiff's knowledge, resides in or around the city of Calgary, Alberta.
19. The Defendant, Myenh Su Chong ("**Chong**") to the best of the Plaintiff's knowledge, resides in or around the city of Calgary, Alberta.
20. The Defendant, Jai Hoon In ("**Hoon In**"), to the best of the Plaintiff's knowledge, resides in or around the city of Grande Prairie, Alberta.
21. The Defendant, Sangkyun Choi, also known as Sang Kyun Choi ("**Choi**"), to the best of the Plaintiff's knowledge, resides in the city of Calgary, Alberta.
22. 18149 Ltd., 18166 Ltd., 18470 Ltd., Heolee, Lee, Heo, Chung, Suk Lee, Kim, Chong, Hoon In, and Choi are collectively referred to as the "**Guarantors**".

CREDIT FACILITIES

23. By a Commitment Letter dated March 31, 2015 and executed by 18478 Ltd., 18470 Ltd., 18166 Ltd., 18149 Ltd., Heolee, Lee, Heo, Chung, Suk Lee, Kim, Chong, Hoon In, and Choi and an extension letter dated March 10, 2016 (collectively, the "**Commitment Letter**") ATB agreed to advance funds to 18478 on certain terms and conditions provided in the Commitment Letter.
24. Attached hereto as **Exhibit "F"** is a true copy of the "**Commitment Letter**".
25. In accordance with the Commitment Letter, ATB extended credit facilities to 18478 Ltd., including:
 - (a) A non-revolving, reducing credit facility payable on demand in the amount of \$3,732,632.95 with interest calculated from the date or dates funds are advanced

on the daily outstanding principal at ATB's prime lending rate plus 1.00% per annum (the "**Demand Loan**"); and

- (b) An Alberta BusinessCard MasterCard credit facility in the maximum amount of \$50,000 with interest calculated on the total interest bearing balance at 18.90% per annum (the "**MasterCard Facility**").
- (c) (collectively, the "**Credit Facilities**")

26. ATB advanced monies to 18478 Ltd. under Credit Facility #1 and made available to 18478 Ltd. the credit under Credit Facility #2.

GUARANTEES

27. To secure due payment and discharge of all present and future indebtedness of 18478 Ltd to ATB, including amounts owed under the Credit Facilities, the Guarantors granted the following guarantees in favour of ATB, guaranteeing the due payment and discharge of all present obligations and liability of 18478 Ltd. to ATB:

- (a) 18149 Ltd. granted a continuing guarantee in the limited amount of \$3,850,000.00 (the "**18149 Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
- (b) 18166 Ltd. executed a continuing guarantee the limited amount of \$3,850,000.00 (the "**18166 Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
- (c) 18470 Ltd. executed a continuing guarantee in the limited amount of \$3,850,000.00 (the "**18470 Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
- (d) Heolee executed a continuing guarantee in the limited amount of \$3,850,000.00 (the "**Heolee Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
- (e) Lee executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Lee Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
- (f) Heo executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Heo Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;

- (g) Chung executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Chung Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
 - (h) Hoon In executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Hoon In Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
 - (i) Suk Lee executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Suk Lee Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
 - (j) Kim executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Kim Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
 - (k) Chong executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Chong Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
 - (l) Choi executed a continuing guarantee in the limited amount of \$962,500.00 (the "**Choi Guarantee**") plus interest after demand for payment, before and after judgment, at a floating rate per annum of 3 % plus ATB's prime lending rate from time to time;
28. The 18149 Guarantee, the 18166 Guarantee, the 18470 Guarantee, the Heolee Guarantee, the Lee Guarantee, the Heo Guarantee, the Chung Guarantee, the Hoon In Guarantee, Suk Lee Guarantee; the Kim Guarantee; the Chong Guarantee, and the Choi Guarantee are collectively referred to as the "**Guarantees**" and each as a "**Guarantee**".
29. Attached hereto as **Exhibit "G"** are true copies of the Guarantees.

GENERAL SECURITY AGREEMENTS

30. As continuing security for payment and performance of all present and future debts, liabilities and obligations of 18478 Ltd. to ATB, 18478 Ltd. executed a General Security Agreement dated October 30, 2014 (the "**18478 GSA**"). The 18478 GSA grants ATB a security interest in all of 18478 Ltd.'s present and after-acquired property, assets, and undertakings.
31. Attached hereto as **Exhibit "H"** is a true copy of the 18478 GSA.


32. Attached hereto as **Exhibit "I"** is a true copy an Albertan Personal Property Registry search of 18478 Ltd. conducted on November 6, 2019
33. As continuing security for payment and performance of all present and future debts, liabilities and obligations of 18149 Ltd. to ATB, 18149 Ltd. executed a General Security Agreement dated October 30, 2014 (the "**18149 GSA**"). The 18149 GSA grants ATB a security interest in all of 18149 Ltd.'s present and after-acquired property, assets, and undertakings.
34. Attached hereto as **Exhibit "J"** is a true copy of the 18149 GSA.
35. Attached hereto as **Exhibit "K"** is a true copy of an Albertan Personal Property Registry search of 18149 Ltd. conducted on November 6, 2019
36. As continuing security for payment and performance of all present and future debts, liabilities and obligations of 18166 Ltd. to ATB, 18166 Ltd. executed a General Security Agreement dated October 30, 2014 (the "**18166 GSA**"). The 18166 GSA grants ATB a security interest in all of 18149 Ltd.'s present and after-acquired property, assets, and undertakings.
37. Attached hereto as **Exhibit "L"** is a true copy of the 18166 GSA.
38. Attached hereto as **Exhibit "M"** is a true copy of an Albertan Personal Property Registry search of 18166 Ltd. conducted on November 6, 2019
39. As continuing security for payment and performance of all present and future debts, liabilities and obligations of 18470 Ltd. to ATB, 18470 Ltd. executed a General Security Agreement dated October 30, 2014 (the "**18470 GSA**"). The 18470 GSA grants ATB a security interest in all of 18470 Ltd.'s present and after-acquired property, assets, and undertakings.
40. Attached hereto as **Exhibit "N"** is a true copy of the 18470 GSA.
41. Attached hereto as **Exhibit "O"** is a true copy of an Albertan Personal Property Registry search of 18470 Ltd. conducted on November 6, 2019
42. As continuing security for payment and performance of all present and future debts, liabilities and obligations of Heolee to ATB, Heolee executed a General Security Agreement dated October 30, 2014 (the "**Heolee GSA**"). The Heolee GSA grants ATB a security interest in all of Heolee's present and after-acquired property, assets, and undertakings.
43. Attached hereto as **Exhibit "P"** is a true copy of the Heolee GSA.
44. Attached hereto as **Exhibit "Q"** is a true copy of an Albertan Personal Property Registry search of Heolee Ltd. conducted on November 6, 2019.
45. Attached hereto as **Exhibit "R"** is a true copy of a British Columbia Personal Property Registry search of Heolee Ltd. conducted on November 6, 2019.

46. The 18149 GSA, the 18478 GSA, the 18166 GSA, the 18470 GSA, and the Heolee GSA are collectively referred to as the "GSAs" and each a "GSA".

COLLATERAL MORTGAGE

47. As general and continuing security for payment of all amounts owed by 18478 Ltd. to ATB from time to time, whether present or future, direct or indirect, absolute or contingent, matured or not, and however arising, including principal, interest and costs, 18478 Ltd. granted in favour of ATB a Collateral Mortgage signed October 22, 2014 (the "**18478 Collateral Mortgage**") over the Hotel Lands in the principal amount of THREE MILLION EIGHT HUNDRED THOUSAND (\$3,800,000.00) DOLLARS plus interest thereon, before and after maturity, default and judgment, until paid, computed at a floating rate equal to ATB's prime rate, from time to time, plus 5% per annum, calculated daily and payable monthly not in advance, with interest on overdue interest at the same rate and all further monies which may become payable pursuant to the terms of the 18478 Collateral Mortgage.
48. Attached hereto as **Exhibit "S"** is a true copy of the 18478 Collateral Mortgage.
49. Further, as continuing security for payment and performance of all debts, liabilities, and obligations of 18478 Ltd. to ATB whether present or future, absolute or contingent, direct or indirect, and however arising, 18478 Ltd. entered into a General Assignment of Leases and Rents dated October 22, 2014 (the "**Assignment of Leases and Rents**") whereby 18478 Ltd. assigned to ATB all leases, licenses, tenancy agreements or rights of use or occupation of every kind in respect of the Hotel Lands and all rents and other payments due thereunder.
50. Attached hereto as **Exhibit "T"** is a true copy of the Assignment of Leases and Rents.
51. The 18478 Collateral Mortgage was registered against title of the Hotel Lands as Instrument No. 142 363 600 on October 29, 2014. The Assignment of Leases and Rents was registered against title of the Hotel Lands as Instrument No. 142 363 601 on October 29, 2014.
52. Attached hereto as **Exhibit "U"** to this my Affidavit is a true copy of an Alberta Land Titles search of the Hotel Lands conducted on November 7, 2019.

BREAKDOWN OF RELATIONS AND DEMAND FOR PAYMENT

53. In or around December 2018, ATB commissioned an appraisal of the Hotel (the "**2018 Hotel Appraisal**").
54. A true copy of the 2018 Hotel Appraisal is provided in Confidential Exhibit ~~W~~ "W" 
55. After obtaining the 2018 Hotel Appraisal, ATB became concerned that the Credit Facilities may not be fully secured.

56. During the spring and summer of 2019, ATB made extensive efforts to negotiate renewal of the Credit Facilities with 18478 Ltd. and the Guarantors, however 18478 Ltd. and the Guarantors were unable to reach an agreement among themselves.
57. As a result, by letter dated July 11, 2019, ATB's legal counsel, Miller Thomson LLP ("MT"), demanded payment from 18478 Ltd. of the Credit Facilities by no later than July 26, 2019 (the "**18478 Demand Letter**"). Enclosed with the demand letter was a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**").
58. By letters dated, on July 11, 2019, MT, on behalf of ATB, advised the Guarantors that demand had been made on 8478 Ltd. for payment of the Credit Facilities and demanded payment from each Guarantor under their respective Guarantees in their respective amounts. Enclosed with the demand letters to 18166 Ltd., 18149 Ltd., 18470 Ltd., and Heolee were Notices of Intention to Enforce Security pursuant to section 244 of the *BIA* (the "**July 11 Guarantor Demand Letters**").
59. On July 23, 2019, MT, on behalf of ATB, sent additional letters to 18470 Ltd., 18166 Ltd, Suk Lee and Hoon In demanding payment from those Guarantors under their respective Guarantees in their respective amounts (the "**July 23 Guarantor Demand Letters**").
60. The 18478 Demand Letter, the July 11 Guarantor Demand Letters, and the July 23 Guarantor Demand Letters are collectively referred to the "**Demand Letters**".
61. Attached hereto as **Exhibit "W"** to this my affidavit are true copies of the Demand Letters.
✓ *W*
62. The 18478 Ltd. failed, neglected, refused to pay the Credit Facilities.
63. The Guarantors failed, neglected, refused to pay their obligations under their respective Guarantees in default of their Guarantees.
64. After July 31, 2019, 18478 Ltd. ceased making payments to the Demand Loan.
65. I am advised by MT that in or around early October 2019, representatives of 18478 Ltd. and the Guarantors ceased communications to resolve the Credit Facilities.
66. Given the lack of communication from 18478 Ltd., the Guarantors, and management of the Hotel, as well as the defaults set out below, ATB has lost faith in management of 18478 Ltd.

DEFAULT

67. 18478 Ltd. and the Guarantors are in default of and continue to be in default of their obligations to ATB under the Credit Facilities, including:
- (a) Hoon In and Chong have sold their shares in 18478 Ltd., without the consent of ATB, in breach of s. 8(f) of the Commitment Letter;

- (b) Failing to provide the September 30, 2019 quarterly financial statements and complete monthly occupancy and average daily room rate information in breach of s. 6(f) of the Commitment Letter;
 - (c) Failing to pay remittances to the Workers' Compensation Board ("**WCB**") in breach of s. 7(h) of the Commitment Letter. A copy of WCB's letter dated October 25, 2019 to ATB providing a section 129 notice of priority is attached as **Exhibit "X"**;
 - (d) Failing to pay the Credit Facilities upon demand;
 - (e) After July 11, 2019, failing to pay the Credit Facilities upon demand; and
 - (f) After July 31, 2019, ceasing to make payments to the Demand Loan after July 31, 2019.
68. ATB is of the opinion that a receivership is necessary to ensure the Hotel continues to operate as a going concern so that the realization value of the Hotel can be maximized.

INDEBTEDNESS

69. The amounts outstanding under the Credit Facilities are as follows:

Demand Loan, as at November 8, 2019

| | |
|-------------------|-----------------|
| Principal | \$ 3,287,844.83 |
| Accrued Interest: | \$ 59,611.75 |

Subtotal: \$ 3,287,844.83

Per Diem \$ 596.12

MasterCard Facility, as at October 25, 2019

| | |
|------------------|--------------|
| Principal | \$ 48,885.23 |
| Accrued Interest | \$ 757.05 |

Subtotal: \$ 49,642.28

Per Diem \$ 6.15

Costs Account, as at November 8, 2019

| | |
|------------------|--------------|
| Principal | \$ 10,779.76 |
| Accrued Interest | \$ 804.67 |


Subtotal: \$ 12,640.81

Per Diem \$ 1.99

TOTAL \$ 3,350,127.92


70. with further interest accruing thereon with all costs, expenses, fees and charges, including legal costs on a solicitor and own client full indemnity basis.
71. I swear this affidavit in support of an application for the appointment of a receiver over the current and future assets, undertakings and property of 18478 Ltd.

SWORN (OR AFFIRMED) BEFORE ME at
Calgary, Alberta, this 18
day of November, 2019.



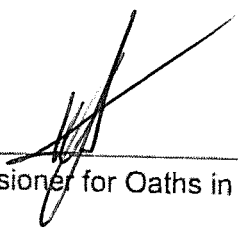
(Commissioner for Oaths in and for the
Province of Alberta)

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021



David Horen

This is **Exhibit "A"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2019/11/07
Time of Search: 12:05 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 31994081
Customer Reference Number:

Corporate Access Number: 2018478459

Legal Entity Name: 1847845 ALBERTA LTD.

Legal Entity Status: Active

Alberta Corporation Type: Numbered Alberta Corporation

Registration Date: 2014/09/16 YYYY/MM/DD

Registered Office:

Street: 4904 45 STREET
City: ROCKY MOUNTAIN HOUSE
Province: ALBERTA
Postal Code: T4T 1P6

Records Address:

Street: 4904 45 STREET
City: ROCKY MOUNTAIN HOUSE
Province: ALBERTA
Postal Code: T4T 1P6

Directors:

Last Name: CHOI
First Name: SANG KYUN
Street/Box Number: 47 EDGERIDGE VIEW NW
City: CALGARY
Province: ALBERTA
Postal Code: T3A 5Y9

Last Name: CHUNG

First Name: JIN HEE
Street/Box Number: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3

Last Name: KIM
First Name: KWANG RAE
Street/Box Number: 248 ASPEN MEADOWS COURT SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H 4T3

Last Name: LEE
First Name: JONGMIN
Street/Box Number: 142 WEST SPRINGS PL SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H 4W2

Voting Shareholders:

Legal Entity Name: 1814905 ALBERTA LTD.
Corporate Access Number: 2018149050
Street: 248 ASPEN MEADOWS COURT SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H 4T3
Percent Of Voting Shares: 28.94

Legal Entity Name: 1816665 ALBERTA LTD.
Corporate Access Number: 2018166658
Street: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3
Percent Of Voting Shares: 26.32

Legal Entity Name: 1847034 ALBERTA LTD.
Corporate Access Number: 2018470340

Street: 47 EDGERIDGE VIEW NW
City: CALGARY
Province: ALBERTA
Postal Code: T3A 5Y9
Percent Of Voting Shares: 13.16

Legal Entity Name: 1858740 ALBERTA LTD.
Corporate Access Number: 2018587408
Street: 142 WEST SPRINGS PL SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H 4W2
Percent Of Voting Shares: 13.16

Last Name: HOEELEE ENTERPRISES INC.
Street: 16261 111A AVENUE
City: SURREY
Province: BRITISH COLUMBIA
Postal Code: V4N 4R7
Percent Of Voting Shares: 18.42

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: AS PER SCHEDULE "A" ATTACHED
Share Transfers Restrictions: AS PER SCHEDULE "B" ATTACHED
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PER SCHEDULE "C" ATTACHED

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| | |

| |
|-----------------|
| 2018 2018/09/07 |
|-----------------|

Outstanding Returns:

Annual returns are outstanding for the 2019 file year(s).

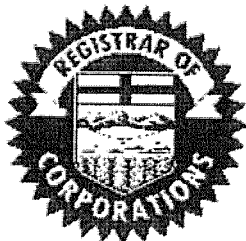
Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2014/09/16 | Incorporate Alberta Corporation |
| 2017/10/16 | Change Director / Shareholder |
| 2018/09/07 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

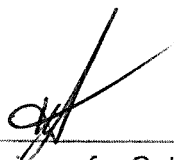
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---------------------------------|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2014/09/16 |
| Restrictions on Share Transfers | ELECTRONIC | 2014/09/16 |
| Other Rules or Provisions | ELECTRONIC | 2014/09/16 |
| Letter - Spelling Error | 10000207123679854 | 2016/08/11 |

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



This is **Exhibit "B"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GRESCHUK
#0697818
My Commission Expires
December 29, 2021

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2019/11/07
Time of Search: 12:05 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 31994096
Customer Reference Number:

Corporate Access Number: 2018149050
Legal Entity Name: 1814905 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2014/04/21 YYYY/MM/DD

Registered Office:

Street: 22 VALLEY CREST RISE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3B 5W8

Records Address:

Street: 22 VALLEY CREST RISE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3B 5W8

Email Address: KWANGRAE7363@GMAIL.COM

Directors:

Last Name: KIM
First Name: KWANG RAE
Street/Box Number: 22 VALLEY CREST RISE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3B 5W8

Voting Shareholders:

Last Name: KIM
First Name: KWANG
Middle Name: RAE
Street: 22 VALLEY CREST RISE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3B 5W8
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE "A"

Share Transfers Restrictions: NO SHARES OF THE CAPITAL OF THE CORPORATION SHALL BE TRANSFERRED WITHOUT THE SANCTION OF A MAJORITY THE DIRECTORS OF THE CORPORATION AS EVIDENCED BY A RESOLUTION IN WRITING OF THE DIRECTORS.

Min Number Of Directors: 1

Max Number Of Directors: 15

Business Restricted To: NONE

Business Restricted From: NONE

Other Provisions: SEE ATTACHED SCHEDULE "B"

Holding Shares In:

| Legal Entity Name |
|----------------------|
| 1847845 ALBERTA LTD. |

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2019 | 2019/03/26 |

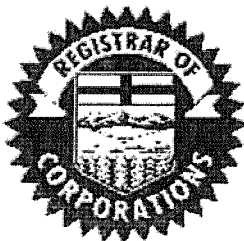
Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2014/04/21 | Incorporate Alberta Corporation |
| 2019/02/12 | Change Director / Shareholder |
| 2019/03/26 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---------------------------|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2014/04/21 |
| Other Rules or Provisions | ELECTRONIC | 2014/04/21 |

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



This is **Exhibit "C"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818

My Commission Expires
December 29, 2021

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2019/11/07
Time of Search: 12:07 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 31994112
Customer Reference Number:

Corporate Access Number: 2018166658
Legal Entity Name: 1816665 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2014/04/21 YYYY/MM/DD
Date of Last Status Change: 2018/10/11 YYYY/MM/DD

Revival/Restoration Date: 2018/10/11 YYYY/MM/DD

Registered Office:

Street: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3

Records Address:

Street: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3

Directors:

Last Name: CHUNG
First Name: JIN HEE
Street/Box Number: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3

Voting Shareholders:

Last Name: CHUNG
First Name: JIN HEE
Street: 29 SHERWOOD LANE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0V3
Percent Of Voting Shares: 100

Details From Current Articles:**The information in this legal entity table supersedes equivalent electronic attachments**

Share Structure: SEE ATTACHED SCHEDULE "A"

Share Transfers NO SHARES OF THE CAPITAL OF THE CORPORATION SHALL BE
Restrictions: TRANSFERRED WITHOUT THE SANCTION OF A MAJORITY THE
DIRECTORS OF THE CORPORATION AS EVIDENCED BY A
RESOLUTION IN WRITING OF THE DIRECTORS.

Min Number Of 1
Directors:

Max Number Of 15
Directors:

Business
Restricted To: NONE

Business
Restricted NONE
From:

Other
Provisions: SEE ATTACHED SCHEDULE "B"

Holding Shares In:

| Legal Entity Name |
|----------------------|
| 1847845 ALBERTA LTD. |

Other Information:

Last Annual Return Filed:

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2018 | 2018/10/11 |

Outstanding Returns:

Annual returns are outstanding for the 2019 file year(s).

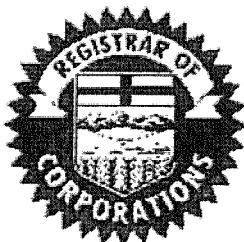
Filing History:

| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|---|
| 2014/04/21 | Incorporate Alberta Corporation |
| 2017/04/26 | Change Director / Shareholder |
| 2018/06/02 | Status Changed to Start for Failure to File Annual Returns |
| 2018/10/02 | Status Changed to Struck for Failure to File Annual Returns |
| 2018/10/11 | Initiate Revival of Alberta Corporation |
| 2018/10/11 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |
| 2018/10/11 | Complete Revival of Alberta Corporation |

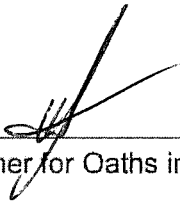
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---------------------------|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2014/04/21 |
| Other Rules or Provisions | ELECTRONIC | 2014/04/21 |

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



This is **Exhibit "D"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697818

My Commission Expires
December 29, 2021

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2019/11/07
Time of Search: 12:05 PM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 31994086
Customer Reference Number:

Corporate Access Number: 2018470340
Legal Entity Name: 1847034 ALBERTA LTD.
Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2014/09/12 YYYY/MM/DD

Registered Office:

Street: 6 FREEMONT CLOSE
City: RED DEER
Province: ALBERTA
Postal Code: T4N 4Y6

Records Address:

Street: 6 FREEMONT CLOSE
City: RED DEER
Province: ALBERTA
Postal Code: T4N 4Y6

Email Address: AMARTREDDEER@GMAIL.COM

Directors:

Last Name: CHOI
First Name: SANGKYUN
Street/Box Number: 6 FREEMONT CLOSE
City: RED DEER
Province: ALBERTA
Postal Code: T4N 4Y6

Voting Shareholders:

Last Name: CHOI
First Name: SANGKYUN
Street: 6 FREEMONT CLOSE
City: RED DEER
Province: ALBERTA
Postal Code: T4N 4Y6
Percent Of Voting Shares: 100

Details From Current Articles:**The information in this legal entity table supersedes equivalent electronic attachments**

Share Structure: AS PER SCHEDULE "A" ATTACHED
Share Transfers Restrictions: AS PER SCHEDULE "B" ATTACHED
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: AS PER SCHEDULE "C" ATTACHED

Holding Shares In:

| Legal Entity Name |
|----------------------|
| 1847845 ALBERTA LTD. |

Other Information:**Last Annual Return Filed:**

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2019 | 2019/08/30 |

Filing History:

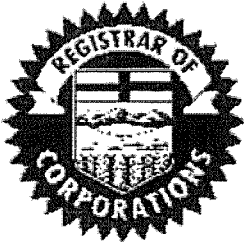
| List Date (YYYY/MM/DD) | Type of Filing |
|------------------------|----------------|
| | |

| | |
|------------|---|
| 2014/09/12 | Incorporate Alberta Corporation |
| 2018/09/11 | Change Director / Shareholder |
| 2019/08/30 | Enter Annual Returns for Alberta and Extra-Provincial Corp. |

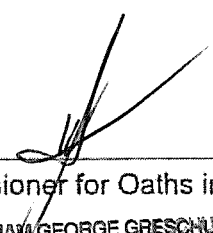
Attachments:

| Attachment Type | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---------------------------------|--------------------|----------------------------|
| Share Structure | ELECTRONIC | 2014/09/12 |
| Restrictions on Share Transfers | ELECTRONIC | 2014/09/12 |
| Other Rules or Provisions | ELECTRONIC | 2014/09/12 |
| Letter - Spelling Error | 10000407130981526 | 2018/09/11 |

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



This is **Exhibit "E"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818

My Commission Expires
December 29, 2021



BC Registry
Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
HEOLEE ENTERPRISES INC.

Date and Time of Search: November 07, 2019 11:10 AM Pacific Time
Currency Date: August 22, 2019

ACTIVE

Incorporation Number: BC0656854
Name of Company: HEOLEE ENTERPRISES INC.
Recognition Date: Incorporated on October 23, 2002
Last Annual Report Filed: October 23, 2018
In Liquidation: No
Receiver: No

DISSOLUTION/RESTORATION INFORMATION

| Filing/Event | Date of Filing |
|-----------------------------------|-------------------|
| Full Restoration | May 16, 2013 |
| System Dissolution - Fail to File | December 03, 2012 |

REGISTERED OFFICE INFORMATION

| Mailing Address: | Delivery Address: |
|--|--|
| 16261 - 111A AVENUE SURREY BC V4N 4R7 CANADA | 16261 - 111A AVENUE SURREY BC V4N 4R7 CANADA |

RECORDS OFFICE INFORMATION

| Mailing Address: | Delivery Address: |
|--|--|
| 16261 - 111A AVENUE SURREY BC V4N 4R7 CANADA | 16261 - 111A AVENUE SURREY BC V4N 4R7 CANADA |

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
HEO, WOO YOUNG

| Mailing Address: | Delivery Address: |
|--|--|
| 16261-111A AVENUE SURREY BC V4N 4R7 CANADA | 16261-111A AVENUE SURREY BC V4N 4R7 CANADA |

Last Name, First Name, Middle Name:

LEE, KYOUNG OK Wooyoung (formerly HEO, KYOUNG OK)

Mailing Address:

16261 111A AVE
SURREY BC V4N 4R7
CANADA

Delivery Address:

16261 111A AVE
SURREY BC V4N 4R7
CANADA

OFFICER INFORMATION AS AT October 23, 2018

Last Name, First Name, Middle Name:

HEO, WOO YOUNG

Office(s) Held: (Secretary)

Mailing Address:

16261 111A AVENUE
SURREY BC V4N 4R7
CANADA

Delivery Address:

16261 111A AVENUE
SURREY BC V4N 4R7
CANADA

Last Name, First Name, Middle Name:

Lee, Kyoungok Wooyoung

Office(s) Held: (President)

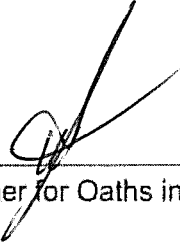
Mailing Address:

16261
111A AVE
SURREY
SURREY BC V4N 4R7
CANADA

Delivery Address:

16261
16261 111A AVE
111A AVE
SURREY BC V4N 4R7
CANADA

This is **Exhibit "F"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

Calgary Stephen Avenue
239 - 8th Avenue SW
Calgary, Alberta T2P 1B9
Phone: (403) 620-7492

March 31, 2015

1847845 Alberta Ltd.
4904 45 Street
Rocky Mountain House, AB T4T 1P6

Attn: Jai Hoon In

Dear Sir:

Alberta Treasury Branches has approved and offers financial assistance on the terms and conditions in the attached Commitment Letter. This agreement amends and restates in its entirety our previous letter(s). Any borrowings outstanding under previous letter agreement(s) are deemed to be Borrowings hereunder under the related facility referenced herein.

You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below, by 4:00 p.m. mountain standard time ("MST") on or before May 1, 2015 or our offer will automatically expire. We reserve the right to cancel our offer at any time prior to acceptance.

Thank you for your continued business.

Yours truly,

ALBERTA TREASURY BRANCHES

By:

Dorothy Lucente
Relationship Manager

Encl.

Accepted this day of , 20

BORROWER

1847845 Alberta Ltd.

Per:


Per:

Date Accepted: April 2, 2015


Date Accepted: April 2, 2015

ATB Financial


GUARANTORS


Sangkyun Choi

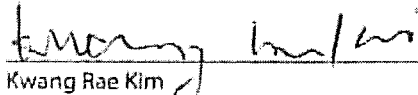
Date Accepted: April 6, 2015


Jai Hoon In


Date Accepted: April 2, 2015


Myeong Su Chong


Date Accepted: April 5, 2015


Kwang Rae Kim

Date Accepted: April 5, 2015


Hae Suk Lee

Date Accepted: April 5, 2015


Jinhee Chung

Date Accepted: April 6, 2015


Wooyoung Heo

Date Accepted:

Kyungok Lee

Date Accepted:

1847034 Alberta Ltd.


Per:

Date Accepted: April 2, 2015



Per:

Date Accepted: April 6, 2015

Per: Kwang Rae Kim

Per:

Date Accepted: April 5, 2015

Per: 

Date Accepted: April 6, 2015

Date Accepted:

Per: _____

Date Accepted:

Date Accepted:

| | |
|--------------------|---------------------------|
| LENDER: | ALBERTA TREASURY BRANCHES |
| BORROWER: | 1847845 Alberta Ltd. |
| GUARANTORS: | Sangkyun Choi |
| | Jai Hoon In |
| | Myeong Su Chong |
| | Kwang Rae Kim |
| | Hae Suk Lee |
| | Jinhee Chung |
| | Wooyoung Heo |
| | Kyungok Lee |
| | 1847034 Alberta Ltd. |
| | 1814905 Alberta Ltd. |
| | 1816665 Alberta Ltd. |
| | Heolee Enterprises Inc. |

1. **DETAILS OF CREDIT FACILITIES (EACH REFERRED TO AS A "CREDIT FACILITY"):**

Credit Facility #1 – Non-Revolver, Reducing Credit Facility ("Term Loan") \$3,732,632.95

- was available by way of
 - Prime-based loans
 - Interest will be calculated from the date or dates funds are advanced on the daily outstanding principal at Prime plus 1.00% per annum.
 - may be prepaid in whole or in part at any time without penalty.
- was funded November 7, 2014
- was used to assist with the purchase of the Tamarack Inn located in Rocky Mountain House, Alberta
- is non-revolving. Amounts repaid may not be reborrowed.
- is payable in full on demand by Lender but in any event no later than January 31, 2016 ("this Credit Facility's Maturity Date").
- Borrower shall continue to make blended payments of \$28,200.00 per month on the last day of each month, to be applied at Lender's option firstly to accrued interest and secondly to principal, with the balance of all amounts owing under this Credit Facility being due and payable in full on demand by Lender but in any event no later than this Credit Facility's Maturity Date. Payment amounts are subject to adjustment on notice to Borrower to ensure amortization period of 180 months is maintained.

ATB Financial™

GUARANTORS

Sangkyun Choi

Date Accepted:

Jai Hoon In

Date Accepted:

Myeong Su Chong

Date Accepted:

Kwang Rae Kim

Date Accepted:

Hae Suk Lee

Date Accepted:

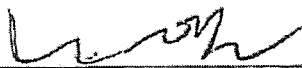
Jinhee Chung

Date Accepted:



Wooyoung Heo

Date Accepted: Apr. 04. 2015



Kyungok Lee

Date Accepted: Apr. 04. 2015

1847034 Alberta Ltd.

Per:

Date Accepted:

Per:

Date Accepted:

1814905 Alberta Ltd.

Per: _____

Date Accepted:

Per: _____

Date Accepted:

1816665 Alberta Ltd.

Per: _____

Date Accepted:

Per: _____

Date Accepted:

Heolee Enterprises Inc.

Per: 

Date Accepted:

Apr. 04. 2015

Per: 

Date Accepted:

Apr. 04. 2015

LENDER: ALBERTA TREASURY BRANCHES

BORROWER: 1847845 Alberta Ltd.

GUARANTORS: Sangkyun Choi

Jai Hoon In

Myeong Su Chong

Kwang Rae Kim

Hae Suk Lee

Jinhee Chung

Wooyoung Heo

Kyungok Lee

1847034 Alberta Ltd.

1814905 Alberta Ltd.

1816665 Alberta Ltd.

Heolee Enterprises Inc.

1. **DETAILS OF CREDIT FACILITIES (EACH REFERRED TO AS A "CREDIT FACILITY"):**

Credit Facility #1 – Non-Revolving, Reducing Credit Facility ("Term Loan") \$3,732,632.95

- was available by way of
 - Prime-based loans
 - Interest will be calculated from the date or dates funds are advanced on the daily outstanding principal at Prime plus 1.00% per annum.
 - may be prepaid in whole or in part at any time without penalty.
- was funded November 7, 2014
- was used to assist with the purchase of the Tamarack Inn located in Rocky Mountain House, Alberta
- is non-revolving. Amounts repaid may not be reborrowed.
- is payable in full on demand by Lender but in any event no later than January 31, 2016 ("this Credit Facility's Maturity Date").
- Borrower shall continue to make blended payments of \$28,200.00 per month on the last day of each month, to be applied at Lender's option firstly to accrued interest and secondly to principal, with the balance of all amounts owing under this Credit Facility being due and payable in full on demand by Lender but in any event no later than this Credit Facility's Maturity Date. Payment amounts are subject to adjustment on notice to Borrower to ensure amortization period of 180 months is maintained.

- For Term Loans and for each advance drawn under an Evergreen Line of Credit Facility, the Borrower may apply, in writing, at any time to the Lender to change the applicable interest rate from a fixed rate Credit Facility to a variable rate Credit Facility. If approval is granted, the Borrower shall pay: (a) all out-of-pocket expenses incurred by the Lender; (b) a fee of 3 months' interest on the principal balance outstanding as at the date of conversion or the Interest Rate Differential, whichever is greater; and (c) all accrued interest up to the conversion date.
- Borrower may apply at any time to Lender to change the applicable interest rate from a variable rate to a fixed rate. If approval is granted, the Borrower will pay:
 - a) An administration fee of:
 - (i) \$500 for a Term Loan with an outstanding balance of \$100,000 or less;
 - (ii) \$750 for a Term Loan with an outstanding balance greater than \$100,000 up to and including \$500,000;
 - (iii) \$1,000 for a Term Loan with an outstanding balance greater than \$500,000;
 - b) All out of pocket expenses incurred by Lender; and
 - c) All accrued interest to the conversion date.

Credit Facility #2 – Non-Revolving, Reducing Credit Facility ("Term Loan") \$259,500.00

- is available by way of
 - Prime-based loans
 - Interest will be calculated from the date or dates funds are advanced on the daily outstanding principal at Prime plus 1.00% per annum,
 - may be prepaid in whole or in part at any time without penalty.
- is available by way of one draw on or before June 30, 2015. Unless approved by Lender in writing, any amount not drawn on or before that date will be cancelled and no longer available to the Borrower.
- is to be used to assist with the purchase of a residential property located at 5727 61 Ave., Rocky Mountain House, Alberta
- is non-revolving. Amounts repaid may not be reborrowed.
- is payable in full on demand by Lender but in any event no later than January 31, 2016 ("this Credit Facility's Maturity Date").
- Borrower shall make blended payments of \$1,400.00 per month on the last day of each month commencing no more than 45 days after the date of the initial advance, to be applied at Lender's option firstly to accrued interest and secondly to principal, with the balance of all amounts owing under this Credit Facility being due and payable in full on demand by Lender but in any event no later than this Credit Facility's Maturity Date. Payment amounts are subject to adjustment on notice to Borrower to ensure amortization period of 300 months is maintained.
- For Term Loans and for each advance drawn under an Evergreen Line of Credit Facility, the Borrower may apply, in writing, at any time to the Lender to change the applicable interest rate from a fixed rate Credit Facility to a variable rate Credit Facility. If approval is granted, the Borrower shall pay: (a) all out-of-pocket expenses incurred by the Lender; (b) a fee of 3 months' interest on the principal balance outstanding as at the date of conversion or the Interest Rate Differential, whichever is greater; and (c) all accrued interest up to the conversion date.

- Borrower may apply at any time to Lender to change the applicable interest rate from a variable rate to a fixed rate. If approval is granted, the Borrower will pay:

- a) An administration fee of:
 - (i) \$500 for a Term Loan with an outstanding balance of \$100,000 or less;
 - (ii) \$750 for a Term Loan with an outstanding balance greater than \$100,000 up to and including \$500,000;
 - (iii) \$1,000 for a Term Loan with an outstanding balance greater than \$500,000;
- b) All out of pocket expenses incurred by Lender; and
- c) All accrued interest to the conversion date.

Credit Facility #3- Alberta BusinessCard MasterCard – \$50,000.00 (called the Business Credit Limit in the Agreement)

- interest will be calculated on the total interest bearing balance at 18.90% per annum.
- minimum monthly payment of 3.00% of the new balance at payment due date is required.
- other terms and conditions are outlined in the ATB Financial MasterCard cardholder agreement in effect from time to time.

2. NEXT REVIEW DATE:

All Credit Facilities are demand facilities and are subject to review by Lender at any time in its sole discretion and at least annually. The next annual review date has been set for January 31, 2016 but may be set at an earlier or later date at the sole discretion of Lender.

3. FEES:

- Non-refundable application fee of \$1,500.00 is payable on acceptance of this offer
- Renewal fee is payable annually in an amount determined by Lender.
- Any amount in excess of established Credit Facilities may be subject to a fee where Lender in its sole discretion permits excess Borrowings, if any.
- For reports or statements not received within the stipulated periods (and without limiting Lender's rights by virtue of such default), Borrower will be subject to a fee of \$250.00 per month (per annual report or statement) for each late reporting occurrence.

Lender is hereby authorized to debit Borrower's account for any unpaid fees.

4. SECURITY DOCUMENTS:

All security documents (whether held or later delivered) (collectively referred to as the "Security Documents") shall secure all Credit Facilities and all other obligations of Borrower to Lender (whether present or future, direct or indirect, contingent or matured). The parties acknowledge that the following security documents are currently held:

- (a) General Security Agreement from Borrower providing a security interest over all present and after acquired personal property and a floating charge on all lands
- (b) Land Mortgage in the principal sum of \$3,800,000.00 from Borrower constituting a first fixed charge on the lands located at Plan 012 1120 Block 33 Lot 7
- (c) General Assignment of Leases and Rents in respect of the lands described above, to be registered by way of Caveat at Land Titles Office
- (d) Continuing Guarantee from Sangkyun Choi - limited to \$962,500.00
- (e) Continuing Guarantee from Jai Hoon In - limited to \$962,500.00
- (f) Continuing Guarantee from Myeong Su Chong - limited to \$962,500.00
- (g) Continuing Guarantee from Kwang Rae Kim - limited to \$962,500.00
- (h) Continuing Guarantee from Hae Suk Lee - limited to \$962,500.00
- (i) Continuing Guarantee from Jinhee Chung - limited to \$962,500.00
- (j) Continuing Guarantee from Wooyoung Heo - limited to \$962,500.00
- (k) Continuing Guarantee from Kyungok Lee - limited to \$962,500.00
- (l) Continuing Guarantee from 1847034 Alberta Ltd. - limited to \$3,850,000.00, supported by the following:
 - Corporate Guarantee Resolution;
 - General Security Agreement providing a security interest over all present and after acquired personal property;
- (m) Continuing Guarantee from 1814905 Alberta Ltd. - limited to \$3,850,000.00, supported by the following:
 - Corporate Guarantee Resolution;
 - General Security Agreement providing a security interest over all present and after acquired personal property;
- (n) Continuing Guarantee from 1816665 Alberta Ltd. - limited to \$3,850,000.00, supported by the following:
 - Corporate Guarantee Resolution;
 - General Security Agreement providing a security interest over all present and after acquired personal property;
- (o) Continuing Guarantee from Heolee Enterprises Inc. - limited to \$3,850,000.00, supported by the following:
 - Corporate Guarantee Resolution;
 - General Security Agreement providing a security interest over all present and after acquired personal property;

The additional security documents required at this time are as follows:

- (a) Land Mortgage in the principal sum of \$259,500.00 from Borrower constituting a first fixed charge on the lands located at Plan 9023708 Block 11 Lot 7
- (b) General Assignment of Leases and Rents in respect of the lands described above, to be registered by way of Caveat at Land Titles Office

The Security Documents are to be registered in the following jurisdictions: Alberta

5. REPRESENTATIONS AND WARRANTIES:

Borrower represents and warrants to Lender that:

- (a) each Loan Party (other than any that are individuals) is duly incorporated or duly created, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (b) the execution, delivery and performance by Borrower and each Guarantor (if any) of this agreement and each Security Document to which it is a party have been duly authorized by all necessary actions and do not violate its governing documents or any applicable laws or agreements to which it is subject or by which it is bound;
- (c) the most recent financial statements of Borrower and, if applicable, any Guarantor, provided to Lender fairly present its financial position as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby and, since the date of such financial statements, there has occurred no material adverse change in its business or financial condition;
- (d) each Loan Party has good and marketable title to all of its properties and assets, free and clear of any encumbrances other than Permitted Encumbrances;
- (e) Borrower has no subsidiaries.

All representations and warranties are deemed to be repeated by Borrower on each request for an advance hereunder.

6. REPORTING COVENANTS:

Borrower covenants with Lender that it will provide the following to Lender:

- (a) Within 120 days after the end of each of its fiscal years, unconsolidated financial statements of Borrower on a review engagement basis and prepared by a firm of qualified accountants. If audited financial statements are not currently required, Lender reserves the right to require audited financial statements
- (b) Within 120 days after the end of each of its fiscal years, unconsolidated financial statements of Guarantors on a review engagement basis and prepared by a firm of qualified accountants. If audited financial statements are not currently required, Lender reserves the right to require audited financial statements
- (c) Annually, Personal Financial Statements of the individual Guarantors on ATB Form
- (d) Annually, provide updated insurance policies annually that list ATB as first loss payable
- (e) Annually, Capital expenditure and Repairs and Maintenance budget

- (f) Quarterly - March 31, June 30, September 30, December 31, Monthly summary of Occupancy & ADR information
- (g) On request, any further information regarding the assets, operations and financial condition of Borrower and any Guarantor that Lender may from time to time reasonably require

7. POSITIVE COVENANTS:

Borrower covenants with Lender that:

- (a) it will pay to Lender when due all amounts (whether principal, interest or other sums) owing by it to Lender from time to time;
- (b) it will pay to Lender on demand, all legal (on a solicitor and his own client, full indemnity basis) and other costs incurred by Lender in respect of all Credit Facilities including the preparation, registration and any realization on the Security Documents and other related matters;
- (c) it will deliver to Lender the Security Documents, in all cases in form and substance acceptable to Lender and Lender's solicitor;
- (d) it will ensure that each Loan Party maintains appropriate types and amounts of insurance with Lender shown as first loss payee on any property insurance covering any assets on which Lender has security, with such other terms as Lender may require;
- (e) it will promptly advise Lender, in writing, of any significant loss or damage to the property of any Loan Party;
- (f) it will ensure that each Loan Party maintains its corporate or partnership status (if applicable) in good standing and maintains, repairs and keeps in good working order and condition all of its property and assets;
- (g) it will permit Lender at any reasonable time or times and on reasonable prior notice to enter the premises of each Loan Party and to inspect its property and operation and to examine and copy all of its relevant books of accounts and records;
- (h) it will ensure that each Loan Party remits when due all sums owing to tax and other governmental authorities including, without limitation, any sums in respect of employees and GST, and provides proof to Lender upon request;
- (i) it will ensure that each Loan Party complies with all applicable laws, permits and regulations including, without limitation, those relating to the environment, and obtains and maintains all necessary licenses, permits, authorizations and approvals which are required to be obtained and maintained by it in the operation of its business;

8. NEGATIVE COVENANTS:

Borrower covenants with Lender that, except with the prior written consent of Lender, Borrower will not and will not permit any Loan Party to:

- (a) create or permit to exist any mortgage, charge, lien, encumbrance or other security interest on any of its present or future assets, other than Permitted Encumbrances;
- (b) sell, lease or otherwise dispose of any assets except (i) inventory sold, leased or disposed of in the ordinary course of business, (ii) obsolete equipment which is being replaced with equipment of

equivalent value, and (iii) assets sold, leased or disposed of during a fiscal year having an aggregate fair market value not exceeding Cdn. \$50,000.00, for such fiscal year;

- (c) provide financial assistance (by means of a loan, guarantee or otherwise) to any person other than Lender;
- (d) pay to or for the benefit of shareholders or persons associated with shareholders (within the meaning of the *Alberta Business Corporations Act*) by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise, any amount which would cause the breach of a provision hereof;
- (e) amalgamate, consolidate or merge with any person other than a Loan Party or enter into any partnership with any other person unless the partnership becomes a Loan Party hereunder and provides security in favour of Lender;
- (f) consent to or facilitate a change in the ownership of its shares without the prior written consent of Lender;
- (g) acquire any assets in or move any assets to a jurisdiction where Lender has not registered the Security Documents;
- (h) operate accounts with or otherwise conduct any banking business with any financial institution other than Lender;
- (i) enter into any commodity, currency or interest rate hedging arrangement which is not used for risk management in relation to its business but is entered into for speculative purposes;

9. **FINANCIAL COVENANTS:**

Borrower will not at any time, without the prior written consent of Lender, breach the following restrictions:

- (a) permit the Debt Service Coverage ratio to be less than 1.40:1;
- (b) Replacement Reserve and Repair and Maintenance Expense - Borrower will during each of their fiscal years expend an amount equate to 5% of their total room revenues annually on capital expenditures and repairs and maintenance expenses in respect of the hotel. In those fiscal years where the amount expended is less than this threshold, the difference, on lenders request, will be placed in a Replacement Reserve account that is on deposit with and assigned to the Lender by no later than 180 days following the fiscal year under review. Draws against this Replacement Reserve account will be permitted in those fiscal years where the capital expenditures and repairs and maintenance expenses exceed the threshold and only for the amount that the threshold exceeded.

Each of the above financial ratios shall be maintained at all times.

10. **CONDITIONS PRECEDENT:**

It is a condition precedent to each advance hereunder that, at the time of such advance, all representations and warranties hereunder must be true and there must be no default hereunder or under any Security Document. In addition, no Credit Facility will be available until the following conditions precedent have been satisfied, unless waived by Lender:

- (a) Lender is satisfied that no prior liens, mortgages, charges, encumbrances, writs or other security interests are registered against any Loan Party's assets other than as permitted by Lender;
- (b) Lender has received all Security Documents and all registrations and filings have been completed in Alberta, in all cases in form and substance satisfactory to Lender;

- (c) Borrower and Guarantor (if any) have provided all authorizations and all financial statements, appraisals, environmental reports and other information that Lender may require, including, but not limited to:
- Sunlife Assurance Company of Canada Group Creditor's Life Insurance – application or waiver
 - Credit Information and Alberta Land Titles Office Name Search Consent Form
 - Solicitor's Opinion Letter
 - Pre-disbursement:
Security to be prepared and registered by ATB Solicitor
Solicitor's Opinion Letter to evidence ATB registrations in priority position
 - Pre-disbursement, Satisfactory review by ATB of appraisal to be obtained on the property located at 5727 61 Ave Rocky Mountain House, Alberta reflecting a minimum of \$346,000.00
Financing is limited to 80% of the lesser of purchase price or appraised value.
- (d) Lender has received payment of all fees due in respect hereof
- (e) Lender is satisfied as to the value of Borrower's and any Guarantor's assets and financial condition and each Loan Party's ability to carry on business and repay any amount owed to Lender from time to time;

11. AUTHORIZATIONS AND SUPPORTING DOCUMENTS:

Borrower has delivered or will deliver the following authorizations and supporting documents to Lender:

- (a) Corporate Borrower and Corporate Guarantors:
- Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors
 - Business Corporation Agreement
 - Certified Directors' Resolution
- (b) ATB Financial MasterCard Cardholder Agreement
- (c) Real Property Report with certificate of Compliance or Title Insurance
- (d) Appraisal Reports

12. DRAWDOWNS, PAYMENTS AND EVIDENCE OF INDEBTEDNESS:

- (a) Borrower may cancel the availability of any unused portion of a Credit Facility on 5 Business Days' notice. Any such cancellation is irrevocable.
- (b) All interest rates specified are nominal annual rates. The effective annual rate in any case will vary with payment frequency. The annual rates of interest or fees to which the rates calculated in accordance with this agreement are equivalent are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.
- (c) If any amount due hereunder is not paid when due, Borrower shall pay interest on such unpaid amount including, without limitation, interest on interest if and to the fullest extent permitted by applicable law at a rate per annum equal to the rate payable hereunder on such amount as if it were not in arrears.

- (d) The branch of Lender (the "**Branch of Account**") where Borrower maintains an account and through which the Borrowings will be made available is located at Calgary Stephen Avenue 239 - 8th Avenue SW Calgary, Alberta T2P 1B9. Funds under the Credit Facilities will be advanced into and repaid from account no. 760-00348328200 at the Branch of Account or such other branch or account as Borrower and Lender may agree upon from time to time.
- (e) Lender shall open and maintain at the Branch of Account accounts and records evidencing the Borrowings made available to Borrower by Lender under this agreement. Lender shall record the principal amount of each Borrowing and the payment of principal, interest and fees and all other amounts becoming due to Lender under this agreement. Lender's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of Borrower to Lender pursuant to this agreement.
- (f) Borrower authorizes and directs Lender to automatically debit, by mechanical, electronic or manual means, any bank account of Borrower maintained with Lender for all amounts payable by Borrower to Lender pursuant to this agreement. Any amount due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day and interest shall accrue accordingly.

13. **EVENTS OF DEFAULT:**

All Credit Facilities are payable in full on demand by Lender. Without restricting the Lender's right to demand payment at any time, Lender may, by notice to Borrower, terminate any or all of the Credit Facilities and demand immediate payment and, failing such immediate payment, Lender may realize under the Security Documents as Lender thinks fit in any of the following events:

- (a) if Borrower defaults in paying when due all or any part of its indebtedness or other liability to Lender;
- (b) if Borrower or a Guarantor (if any) defaults in the observance or performance of any of its covenants or obligations hereunder or in any of the Security Documents (other than as provided under section (a) above), or in any other document under which Borrower or a Guarantor (if any) is obligated to Lender and, in any such case, the default continues after notice from Lender;
- (c) if any event or circumstance occurs which has or would reasonably be expected to have a Material Adverse Effect (as determined by Lender in its sole discretion);
- (d) if an order is made, an effective resolution passed or a petition is filed for the winding up of the affairs of Borrower or a Guarantor (if any) or if a receiver or liquidator of Borrower or a Guarantor (if any) or any part of its assets is appointed; or
- (e) if Borrower or a Guarantor (if any) becomes insolvent or makes a general assignment for the benefit of its creditors or an assignment in bankruptcy or files a proposal or notice of intention to file a proposal under the *Bankruptcy and Insolvency Act* or otherwise acknowledges its insolvency or if a bankruptcy petition is filed or receiving order is made against Borrower or a Guarantor (if any) and is not being disputed in good faith.
- (f) Notwithstanding anything else contained herein, in the case of default by Borrower, Lender may apply payments received during a period of default in whatever order it may elect, as between the Credit Facilities, to any interest owed thereunder, any fees or charges or any other obligations of the Borrower.

14. **MISCELLANEOUS:**

- (a) If applicable, the Borrower agrees to waive the two (2) day time period for delivery of the *Fair Trading Act* disclosure statement. If applicable, the Borrower may notify the Lender, in writing, of the Borrower's intention to withdraw from this commitment letter within two (2) days from signing it and if the Borrower withdraws, it has the right to be relieved from any obligations under this commitment letter

and receive a refund of any payments made hereunder except any of the following fees which may have been incurred by the Lender and charged to the Borrower: (i) search or registration costs paid to a registry or agent, (ii) fees for any inspection, appraisal, survey or environmental audit report obtained by the Borrower and used by the Lender, (iii) mortgage insurance premium on a high ratio mortgage and (iv) casualty insurance premium.

- (b) Within the term of each Credit Facility hereunder, the Lender may issue a renewal offer presenting various options for the renewal of such Credit Facility. Provided the Credit Facility is not then in default and the balance of the principal, interest and other sums due and payable hereunder is not paid in full, then the Credit Facility may be renewed based upon the terms and conditions in such renewal offer as selected by the Lender (in its sole discretion) and the terms and conditions of this commitment letter (as amended by such renewal offer) will otherwise continue in full force and effect.
- (c) The Lender may send the Borrower monthly statements (if applicable), notices or demands for payment to the latest address the Lender has for the Borrower in the Lender's records. Any statement, notice or demand shall be deemed to be received by the Borrower on the date received (if delivered personally) or the fifth day after the Lender has mailed it to the Borrower (if mailed). If there are multiple Borrowers hereunder, then communication to any one of them is deemed to be communication to all.
- (d) Lender, without restriction, may waive, in writing, the satisfaction, observance or performance of any of the provisions of this Commitment Letter. The obligations of a Guarantor (if any) will not be diminished, discharged or otherwise affected by or as a result of any such waiver except to the extent that such waiver relates to an obligation of such Guarantor. Any waiver by Lender of the strict performance of any provision hereof will not be deemed to be a waiver of any subsequent default and any partial exercise of any right or remedy by Lender shall not be deemed to affect any other right or remedy to which Lender may be entitled.
- (e) Where more than one person, firm or corporation signs this agreement as Borrower, each party is jointly and severally liable for any such obligation hereunder and the Lender may require payment of all such amounts from any one of them or a portion from each.
- (f) If any portion of this agreement is held invalid or unenforceable, the remainder of this agreement will not be affected and will be valid and enforceable to the fullest extent permitted by law. In the event of a conflict between the provisions hereof and of any Security Document or loan agreement, the provisions hereof shall prevail to the extent of the conflict.
- (g) All interest payable hereunder bears interest as well after as before maturity, default and judgment with interest on overdue interest at the applicable rate payable hereunder. To the extent permitted by law, Borrower waives the provisions of the *Judgment Interest Act* (Alberta).
- (h) Borrower shall indemnify Lender against all losses, liabilities, claims, damages or expenses (including, without limitation, legal expenses on a solicitor and his own client, full indemnity basis) incurred in connection with the Credit Facilities. This indemnity will survive the repayment or cancellation of any of the Credit Facilities or any termination of this agreement.
- (i) For certainty, the permission to create a Permitted Encumbrance shall not be construed as a subordination or postponement, express or implied, of Lender's Security Documents to such Permitted Encumbrance.
- (j) Time shall be of the essence in all provisions of this agreement.
- (k) This agreement may be executed in counterpart.
- (l) This agreement shall be governed by the laws of Alberta.

(m) Derek Elliott of Bishop & McKenzie LLP is designated as Lender's solicitor.

DEFINITIONS:

"A Locations" means Calgary, Edmonton.

"B Locations" means urban areas.

"Borrowings" means all amounts outstanding under the Credit Facilities or, if the context so requires, all amounts outstanding under one or more of the Credit Facilities or under one or more borrowing options of one or more of the Credit Facilities.

"Business Day" means a day excluding Saturday and Sunday on which Lender is open for business in Alberta.

"Cash Flow Available To Service Debt" [use this definition for business Borrowers] means, in respect of the Borrower for (a specified period), the net income of Borrower in accordance with GAAP; provided that (but without duplication) there shall be (i) added thereto income taxes, deferred taxes, amortization and other non-cash charges, (ii) minus a replacement reserve provision equal to 4% of the total revenues, and (iii) added thereto or subtracted an amount that would be required to adjust the management fees paid by the borrower to an amount equal to 3% of the total revenues.

"Cash Flow Available To Service Debt" [use this definition for agricultural Borrowers] means Net Farming Income + Optional/Mandatory Inventory Adjustment-Previous Year – Optional/Mandatory Inventory Adjustment-Current Year + Depreciation/Capital Cost Allowance + Interest and bank charges + Extraordinary Expense – Extraordinary Income – Living Expenses (applicable to Non-Incorporated Farms) + Ending Accounts Receivable + Ending Inventory + Opening Accounts Payable – Opening Accounts Receivable – Opening Inventory – Closing Accounts Payable.

"Current Assets" means, for a day, the amount of current assets of Borrower as determined in accordance with GAAP on a consolidated basis.

"Current Liabilities" means for a day, the amount of current liabilities of the Borrower as determined in accordance with GAAP on a consolidated basis including only the Current Portion of the Long Term Debt of any Funded Debt.

"Current Portion of Long Term Debt" or "Debt" is determined based on the annual scheduled principal payments of Funded Debt required to be made in a 12 month period notwithstanding the fact that the entire portion of a demand facility may be or may not be shown as current in accordance with GAAP.

"Debt Service Coverage" means, for any period, the ratio of (i) Cash Flow Available to Service Debt, to (ii) Interest Expense and scheduled principal payments in respect of Funded Debt.

"EBITDA" means, for any period, net income (excluding extraordinary items) from continuing operations plus, to the extent deducted in determining net income, interest Expense and income taxes accrued during the period and depreciation, depletion and amortization deducted for the period.

"Equity" means, at any time and as determined in accordance with GAAP on a consolidated basis, an amount equal to the amount of shareholders' equity of Borrower, including share capital, retained earnings and postponed advances (if postponed on terms and in a manner acceptable to Lender) but excluding advances to affiliates/shareholders, goodwill and intangible assets.

"Funded Debt" means, in respect of Borrower, all outstanding, non-postponed, interest-bearing debt (but only excluding such postponed debt if it is postponed on terms and in a manner acceptable to Lender) including capital leases (as defined according to GAAP), debt subject to scheduled repayment terms, credit card debt and letters of credit/guarantees.

"Generally Accepted Accounting Principles" or "GAAP" means generally accepted accounting principles as may be described in the Canadian Institute of Chartered Accountants Handbook.

"Good Accounts Receivable" means unencumbered accounts receivable of Borrower from Canadian *[and U.S. if permitted by AFC]* debtors excluding (i) bad or doubtful accounts; (ii) all amounts due from any affiliate, (iii) the entire amount of accounts, any portion of which is outstanding more than 90 days after billing date, provided that the under 90 day portion may be included where the over 90 day portion is less than 10% of the entire account, and provided that the entire account may be included where Lender has nevertheless designated the account as good, (iv) the amount of all holdbacks or contra accounts, and (v) any accounts which Lender has previously advised to be ineligible.

"Guarantor" means any persons which have provided or hereafter provide a guarantee in favour of Lender with respect to the Borrowings hereunder.

"Interest Expense" means, for any period, the cost of advances of credit during that period including actual interest charges, potential interest payable on any non-utilized portion of any revolving facility (including credit cards), the interest component of capital leases, capitalized interest, fees payable on bankers' acceptances and guaranteed notes and fees payable in respect of letters of credit and letters of guarantee.

"Interest Rate Differential" or "IRD" means the Lender's lost potential interest earnings on the Credit Facility calculated by taking the lost earnings rate and multiplying it by the amount that the Borrower prepays. The **lost earnings rate** is the difference between: (a) the interest rate that the Borrower is being charged at the time of prepayment (the **"Borrower's Rate"**) and (b) the sum of: (i) the Lender's interest rate loan funding cost at the time of prepayment as determined by the Lender; and (ii) the **margin rate**, where the margin rate is equal to the difference between (A) the Borrower's Rate, and (B) the Lender's interest rate loan funding cost at the later of the granting of the Credit Facility and the latest renewal of the Credit Facility.

"Inventory" means unencumbered inventory of Borrower (including raw materials and finished goods but excluding work in progress) which is not subject to any security interest, encumbrance, right or claim which ranks or is capable of ranking in priority to Lender's security.

"Loan Parties" means, collectively, Borrower and all Guarantors, other than any Guarantors that are individuals.

"Long Term Debt" means, for a day and as determined in accordance with GAAP on a consolidated basis, all indebtedness, obligations and liabilities of Borrower which would be classified as long term debt upon a balance sheet of Borrower.

"Material Adverse Effect" refers to (i) a material adverse effect on the financial condition of Borrower or of any Guarantor, or (ii) a material adverse effect on the ability of Borrower or any Guarantor to repay amounts owing hereunder or under its guarantee in respect hereof.

"Permitted Encumbrances" means the following: (i) liens for taxes, assessments or governmental charges or by operation of law not yet due or delinquent or the validity of which is being contested in good faith, and (ii) security interests consented to in writing by Lender.

"Pre-Sold Home" means a home owned by and registered in the name of Borrower that has been sold to an arms length third party under an accepted and unconditional offer to purchase with a non-refundable deposit of at least 10% (at least 5% if the purchaser is obtaining an insured mortgage).

"Prime" means the prime-lending rate per annum established by Lender from time to time for commercial loans in Canadian dollars. Where the interest rate for a Credit Facility is based on Prime, the applicable rate on any day will depend on the Prime in effect on that day. The statement by Lender as to Prime and as to the rate of interest applicable to a Credit Facility on any day will be binding and conclusive for all purposes.

"Residential Mortgage Loan Rate" means the rate per annum established by Lender from time to time for residential mortgage loans in Canadian dollars.

"Sales" means the gross sales as reported in the Statement of Profit and Loss of Borrower's financial statement for the fiscal year.

"Sales to Equity" means, at any time, the ratio of Sales to Equity.

"Show Home" means a home owned by and registered in the name of Borrower whose primary purpose is to either house Borrower's sales office for a particular sub-division or to display the product line of Borrower. A Show Home is usually part of a show home parade and is usually not intended to be immediately sold.

"Spec Home" means a home owned by and registered in the name of Borrower that is intended to be immediately sold, but for which Borrower has not received and approved an accepted offer to purchase for the home. Removal of loans from this status must be supported by evidence of an unconditional offer to purchase with an arms length third party purchaser who has provided a non-refundable deposit of at least 10% (at least 5% if the purchaser is obtaining an insured mortgage).

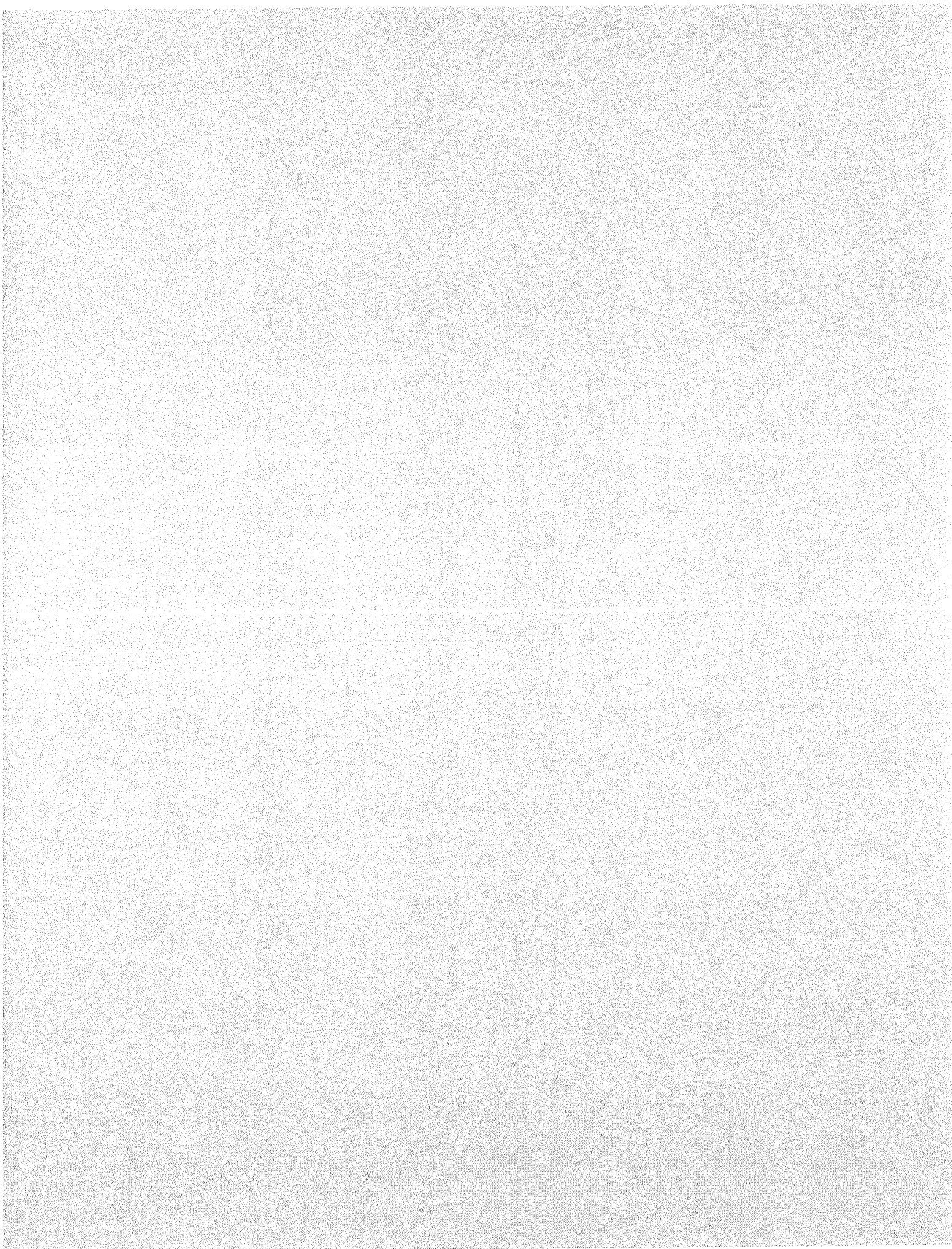
"Standby Letter of Credit" means a standby letter of credit or a letter of guarantee issued by ATB or another financial institution at ATB's request

"Subsidiaries" means (i) a person of which another person alone or in conjunction with its other subsidiaries owns an aggregate number of voting shares sufficient to elect a majority of the directors regardless of the manner in which other voting shares are voted; and (ii) a partnership of which at least a majority of the outstanding income interests or capital interests are directly or indirectly owned or controlled by such person and includes a person in like relation to a Subsidiary.

"Total Debt" means, in respect of Borrower, as of the end of any fiscal quarter and as determined in accordance with GAAP on a consolidated basis and without duplication, an amount equal to (i) the amount of Current Liabilities, plus, if not already included therein, the Current Portion of Long Term Debt, plus (ii) the aggregate of (a) the amount of Long Term Debt including the Borrowings, and (b) to the extent not included in Long Term Debt, obligations with respect to prepaid obligations and deferred revenues relating to third party obligations and the amount of all obligations outstanding under a capital lease or any sale-leaseback to the extent it constitutes a capital lease and shall exclude in any event postponed advances (if postponed on terms and in a manner acceptable to Lender).

"Total Debt to Equity Ratio" means, at any time, the ratio of (i) Total Debt to (ii) Equity.

"Working Capital Ratio" also known as the **"Current Ratio"** means, at any time, the ratio of (i) Current Assets to (ii) Current Liabilities.



660 444 7th Ave Sw
Calgary, AB T2P 0X8

Phone: (403) 620-7492
Email: branches@atb.org

Alberta Treasury Branches
239 – 8th Avenue SW
Calgary, AB T2P 1B9

March 10, 2016

1847845 Alberta Ltd.
4904 45 Street
Rocky Mountain House, AB T4T 1P6

ATTENTION: Jai Hoon In

Dear Sir:

**Re: Indebtedness of 1847845 Alberta Ltd. (the "Corporation")
to Alberta Treasury Branches ("ATB")**

As you are aware, ATB provided credit facilities to the Corporation on the terms and conditions set out in a Commitment Letter dated March 31, 2015 (the "Commitment Letter"). As at March 10, 2016, the Corporation is indebted to ATB (net of interest) as follows:

- | | | |
|----|--------------------|------------------|
| 1. | Loan Account | #760-25848235700 |
| | Principal Balance: | \$ 3,531,465.23 |
| 2. | Loan Account | #760-27237680600 |
| | Principal Balance: | \$ 253,866.94 |
| 3. | ATB Mastercard | |
| | Authorized Amount: | \$ 50,000 |
| | Balance: | \$ 38,321.27 |

(collectively called the "Indebtedness")

As you are aware, the credit facilities have expired. You have requested that ATB extend the credit facilities until April 30, 2016 (the "Due Date") and ATB is agreeable to doing so on the following conditions:

- 1) The Corporation will continue to be bound by all covenants and conditions set forth in the Commitment Letter (except as may be inconsistent with the terms of this Agreement, in which case, the terms of this Agreement shall prevail);
- 2) Beginning Feb 29, 2016 until the Due Date, the Corporation agrees to make interest-only installment payments on the following facility as listed above as follows:
 - #760-760-25848235700— at each month-end

600 4-4 7th Ave Sw
Calgary, AB T2P 0X8

Phone (403) 620-7492
Email dl@corporateath.com

- #760-27237680600-- at each month-end
- 3) The Corporation agrees that any cash shortfalls or margining deficiencies will be immediately remedied via shareholder's injection to the Corporation,
- 4) The Corporation shall not make any capital expenditures without the prior consent of ATB;
- 5) Any re-structuring by the Corporation requires prior written approval of ATB;
- 6) The Corporation shall provide projections prepared in a month-over-month format to include, but not be limited to, a Balance Sheet, Income Statement, Statement of Cashflows, Schedule of Capital Expenditures and a Business Plan outlining all assumptions made for revenues and expenses for the upcoming fiscal year. This information is to be provided to ATB by no later than April 10, 2016
- 7) The Corporation shall maintain its operating account with ATB until the Indebtedness is repaid in full. All revenues received the Corporation during the currency of this Agreement shall be deposited into the Corporation's ATB account
- 8) The Corporation and Guarantors acknowledge and agree that:
 - a) each of the documents comprising the securities (as outlined in the Commitment Letter) are valid and enforceable in accordance with their terms and that the securities (whether now held or hereafter delivered) will continue to secure all Indebtedness unless and until otherwise agreed in writing by ATB;
 - b) ATB is not required to grant any further extensions of time for repayment of the Indebtedness or compliance with the Corporation's covenants. Any further extensions will be in the sole discretion of ATB and will require ATB's express written acknowledgment;
 - c) nothing herein, nor any prior extensions given by ATB (if any), in any way waives any Event of Default (as defined in the Commitment Letter) or any rights and remedies of ATB in respect of any Event of Default, all of which are expressly reserved hereby; and
 - d) any condonation, excusing, or waiver by ATB of any default, breach, non-observance or non-performance by the Corporation of any term or condition herein shall not constitute a waiver by ATB of its rights hereunder or otherwise, in respect of any continuing or subsequent default, breach, non-observance or non-performance by the Corporation.
- 9) In consideration of ATB agreeing to extend the Indebtedness as setout in this Agreement, the Corporation on its behalf and on behalf of its successors and assigns, and the Guarantors remise, release and forever discharge ATB and its employees, agents, officers, directors, successors and assigns from any and all actions, causes of actions, claims, damages, demands, costs and expenses whatsoever at law or in equity which they ever had, now has or which they shall or may have against ATB or its employees, agents, officers, directors, successors and assigns by reason of any matter, cause or thing whatsoever existing up to the date hereof;
- 10) Notwithstanding anything contained herein, the Indebtedness continues and will continue to be re-payable upon demand and ATB reserves the right to take whatever steps it deems necessary to protect its position if:

606 444 7th Ave Sw
Calgary, AB T2P 0X8

Phone: (403) 620-7492
Email: dlucente@atb.ca

- (a) it becomes aware of any facts or circumstances which cause it believe that the prospect of repayment of the Indebtedness or its security is in jeopardy; or
- (b) the Corporation is in breach of any term, condition or covenant herein or any of the security now or hereafter held by ATB in respect of the Indebtedness or in any other agreement to which the Corporation and ATB are parties, including but not restricted to the Commitment Letter.

Please confirm your agreement to the foregoing by signing below and returning the enclosed duplicate copy of this letter on or before 4:00 p.m., **March 24, 2016**, failing which ATB reserves the right to take whatever steps it deems necessary to protect its position. ATB also reserves the right to cancel this offer at anytime prior to acceptance.

Please contact the undersigned if you have any questions with respect to the foregoing.

Yours truly,
ALBERTA TREASURY BRANCHES

Dorothy Lucente
Relationship Manager

The foregoing is acknowledged, agreed to and accepted this 24 day of March, 2016 by

[The Corporation]

1847845 Alberta Ltd.

Per:  _____

Date: Mar 29 2016


Per: _____

Date: _____

[The Guarantors]

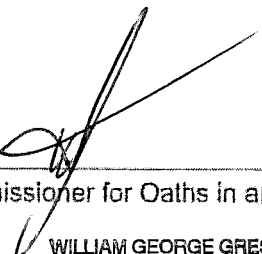
Per: _____
Sangkyun Choi

Date: _____

Per:  _____
Jai Hoon In

Date: Mar 29 2016

This is **Exhibit "G"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818

My Commission Expires
December 29, 2021

ATB Financial

**CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)**

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$3,850,000.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

ATB Financial

you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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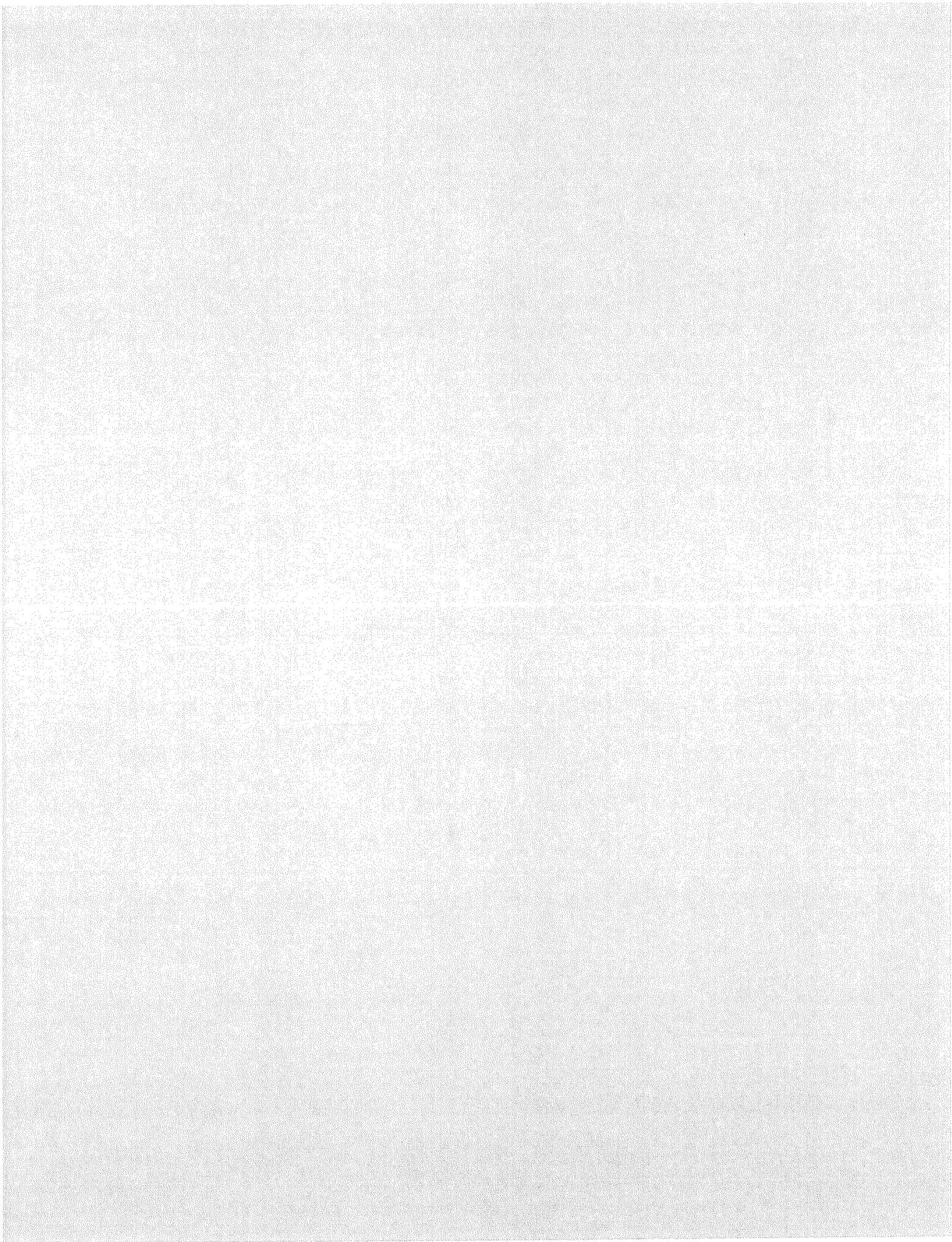
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.

1814905 ALBERTA LTD.

Per: Kwang A. Li





ATB Financial

CONTINUING GUARANTEE (Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$3,850,000.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer; and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

ATB Financial

you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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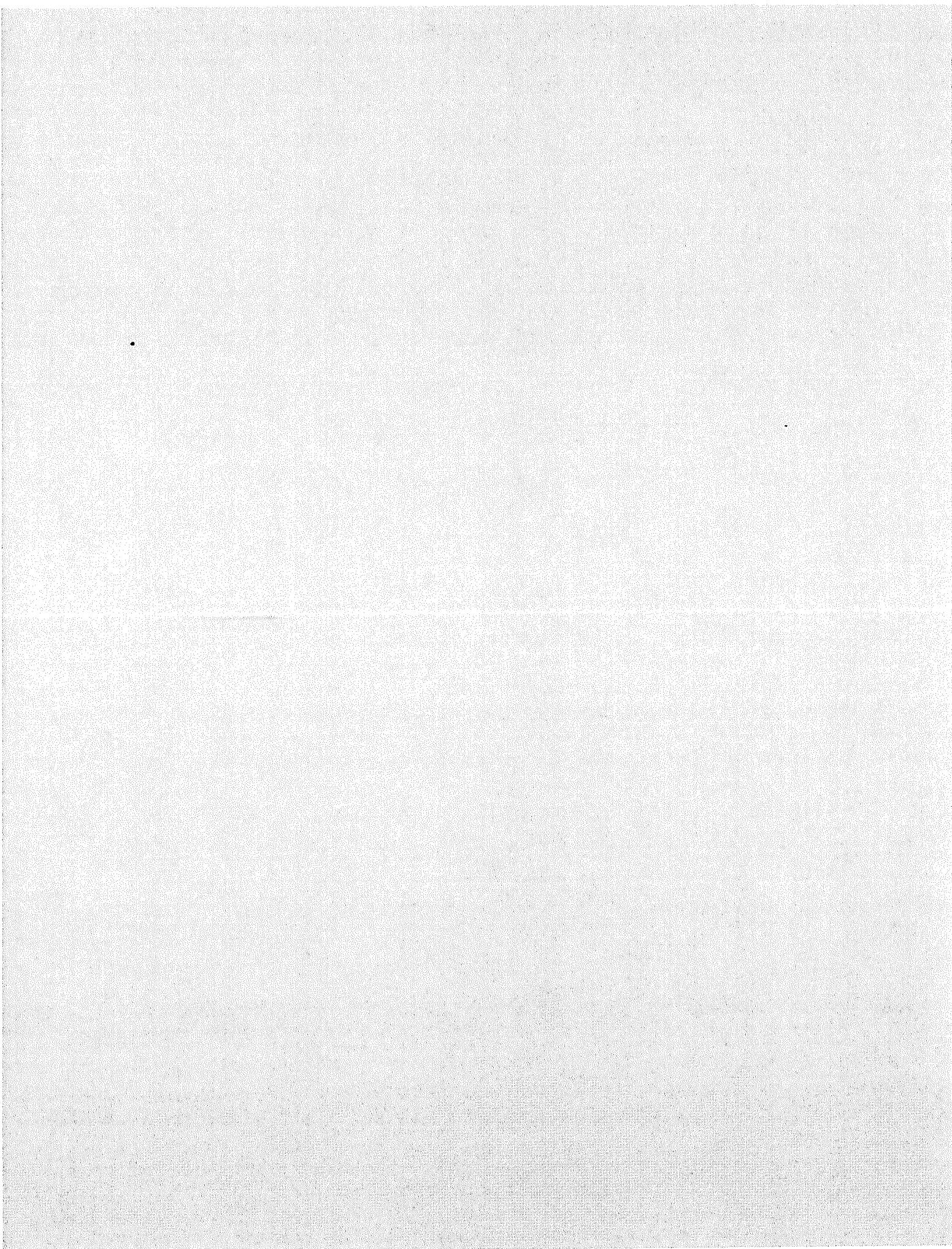
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.

1816665 ALBERTA LTD.

Per: _____





1847034

ATB Financial

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$3,850,000.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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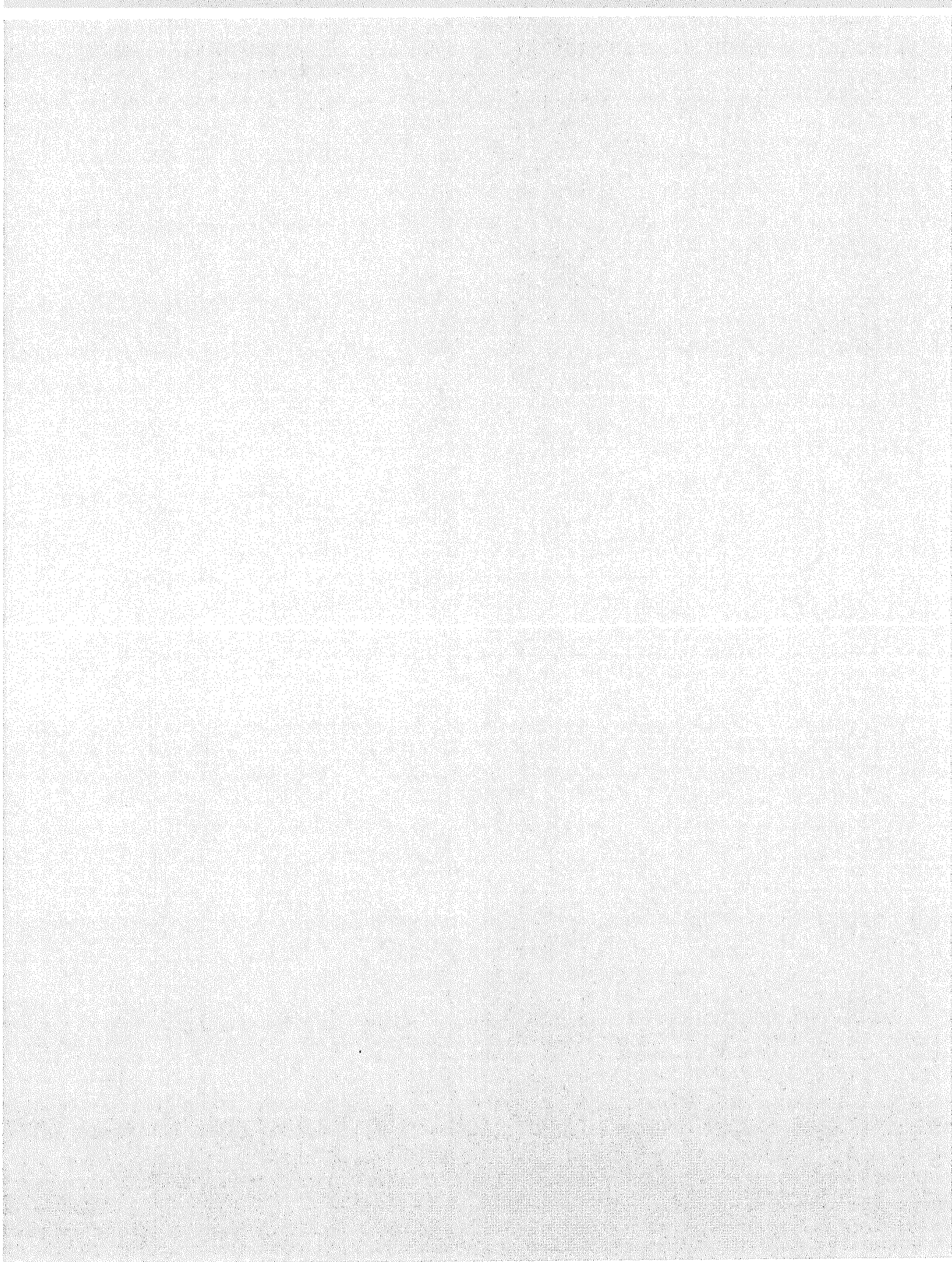
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.

1847034 ALBERTA LTD.

Per: 

Seal



ATB Financial¹

CONTINUING GUARANTEE (Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$3,850,000.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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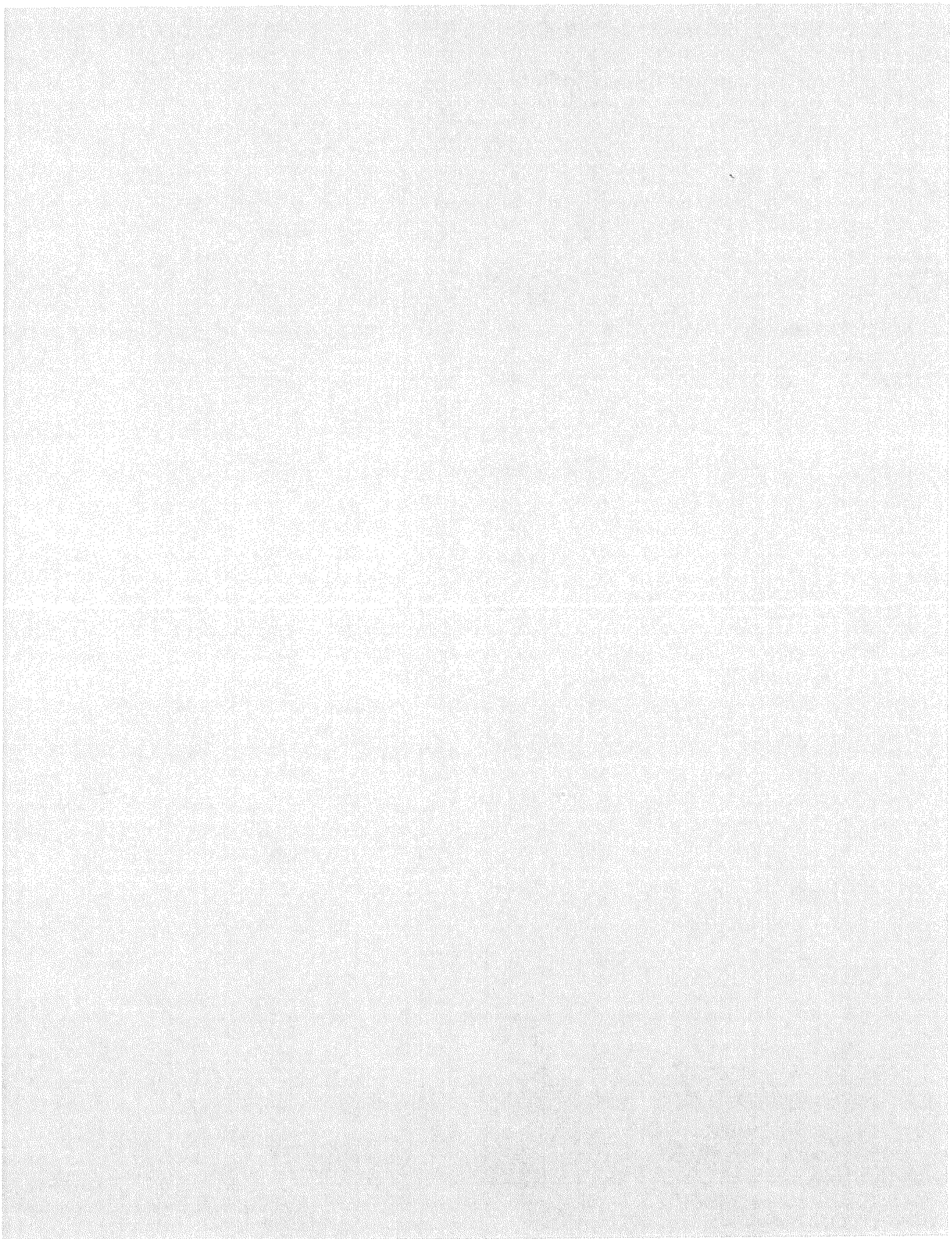
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.

HEOLEE ENTERPRISES INC.

Per: 

Seal



CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed **\$962,500.00**, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.



KYOUNGOK LEE

Seal

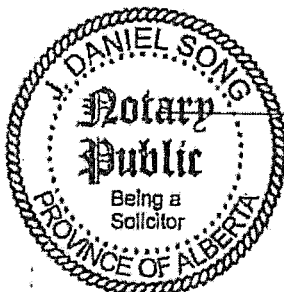
**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. **KYOUNGOK LEE**, of Delta, in the Province of British Columbia, one of the guarantors in the guarantee dated the 30 day of October, 2014, made between **KYOUNGOK LEE** and **ALBERTA TREASURY BRANCHES** which this certificate is attached to or noted upon, appeared in person before me and acknowledged that she had executed the guarantee.

2. I satisfied myself by examination of her that she is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30 day of October, 2014, under my hand and seal of office.



A handwritten signature of the notary, J. Daniel Song.

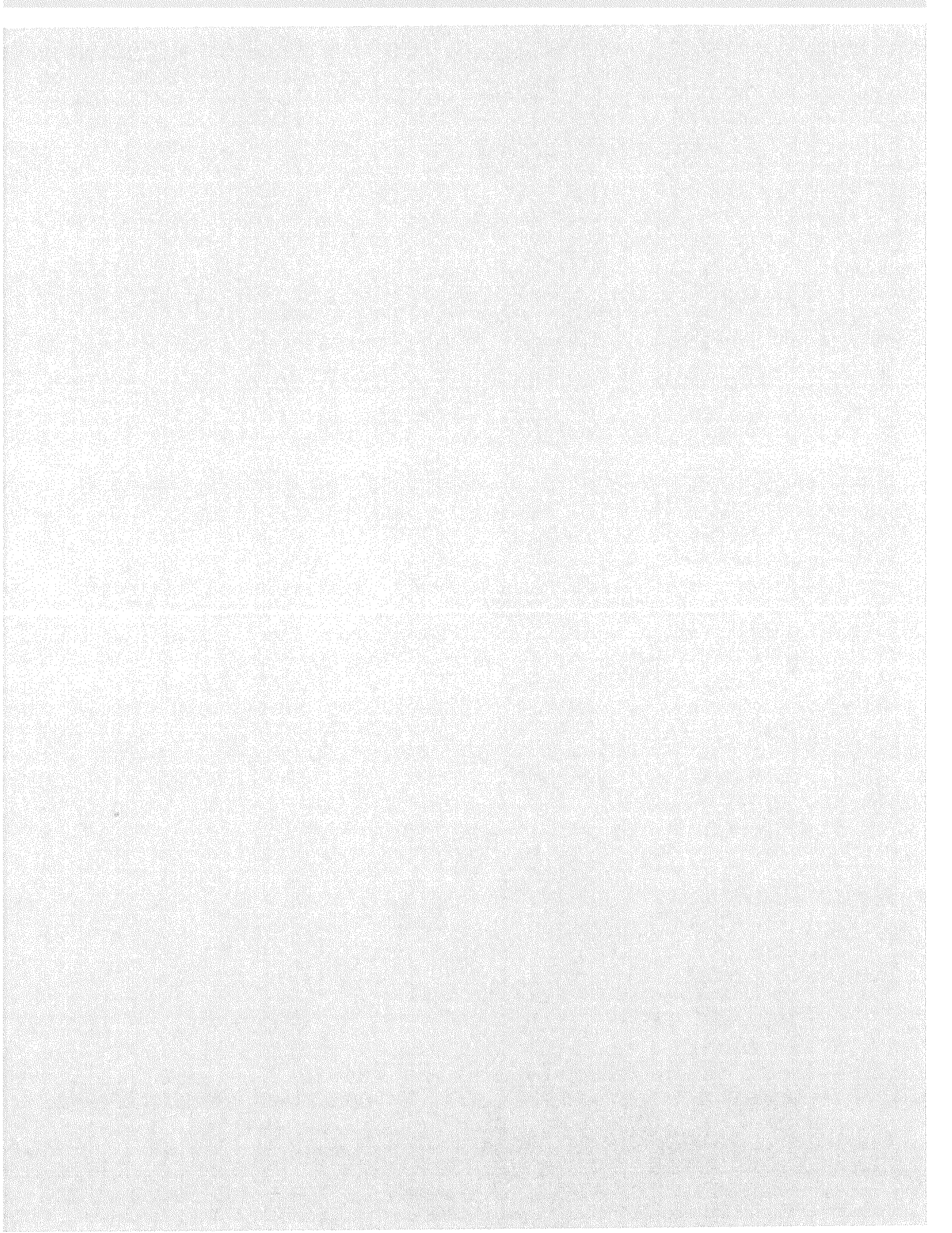
A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

STATEMENT OF GUARANTOR

I am the person named in this certificate.

A handwritten signature of the guarantor, Kyoungok Lee.

KYOUNGOK LEE



ATB Financial

CONTINUING GUARANTEE (Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. **POSTPONEMENT AND ASSIGNMENT OF CLAIMS:** All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.



WOORYOUNG HEO

Seal

**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. WOORYOUNG HEO, of Delta, in the Province of British Columbia, one of the guarantors in the guarantee dated the 30 day of October, 2014, made between WOORYOUNG HEO and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee.

2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30 day of October, 2014, under my hand and seal of office.



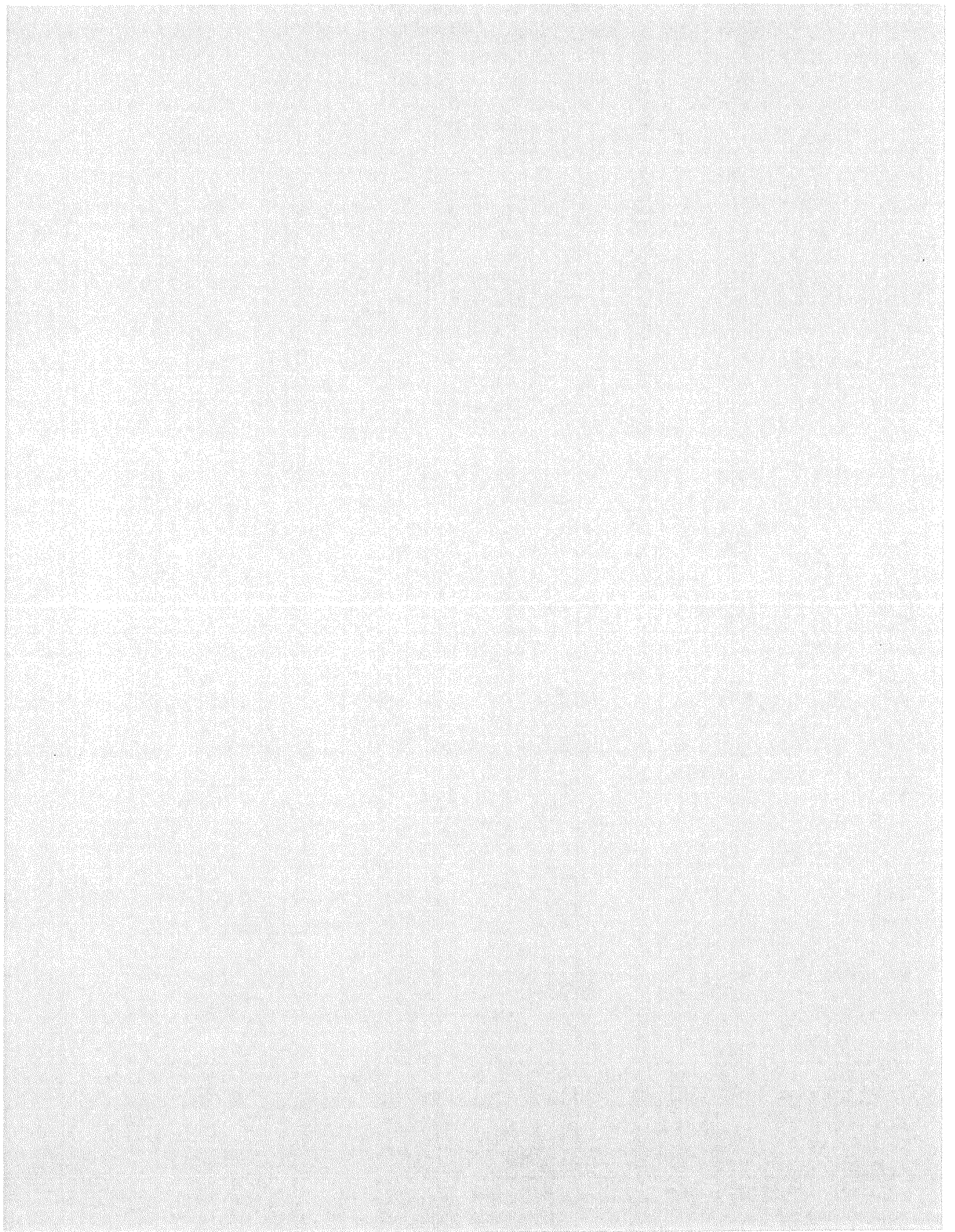
A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

STATEMENT OF GUARANTOR

I am the person named in this certificate.



WOORYOUNG HEO



ATB Financial

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 -- 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

ATB Financial

you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder), or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30th day of October, 2014.

JINHEE CHUNG



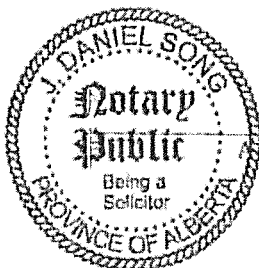
**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. JINHEE CHUNG, of Calgary, in the Province of Alberta, one of the guarantors in the guarantee dated the 20 day of October, 2014, made between JINHEE CHUNG and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that she had executed the guarantee.

2. I satisfied myself by examination of her that she is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 20 day of October, 2014, under my hand and seal of office.



A handwritten signature of the Notary Public, J. Daniel Song, written in ink over a horizontal line.

NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

STATEMENT OF GUARANTOR

I am the person named in this certificate.

JINHEE CHUNG

A handwritten signature of Jinhee Chung, written in ink over a horizontal line.

LETTER OF INDEPENDENT LEGAL ADVICE

TO: ALBERTA TREASURY BRANCHES ("ATB")
239 - 8th Avenue SW
Calgary, AB T2P 1B9

I have been consulted by JINHEE CHUNG (the "Guarantor"), as to the legal liability which the Guarantor would incur by signing the following documents (the "Documents"):

- A Continuing Guarantee limited to the amount of \$962,500.00 given by the Guarantor; and
- A Credit Information and Alberta Land Titles Name Search Consent given by the Guarantor.

for the purpose of securing the liability of 1847845 ALBERTA LTD. (the "Borrower") to ATB.

The Guarantor has informed me that the Guarantor fully understands the nature and effect of signing the Documents and the liability which the Guarantor would thereby incur and the manner in which such liability could be enforced. I am satisfied that the Guarantor understands the nature and effect of the liability which would arise from signing the Documents. I am satisfied that the Guarantor is signing the Documents freely and voluntarily as the Guarantor's own actions without any fear, threat, influence or compulsion of, from or by the Borrower or ATB.

I declare that I have given this advice to the Guarantor and in the Guarantor's interest only and that neither myself nor any lawyer in my firm is acting in any way on behalf of the Borrower or ATB in connection with this matter.

DATED at Calgary, Alberta, on the 30 day of October, 2014.

Yours truly,

HENRIKHA VENCIGIANO

BARRETT & VENCIGIANO

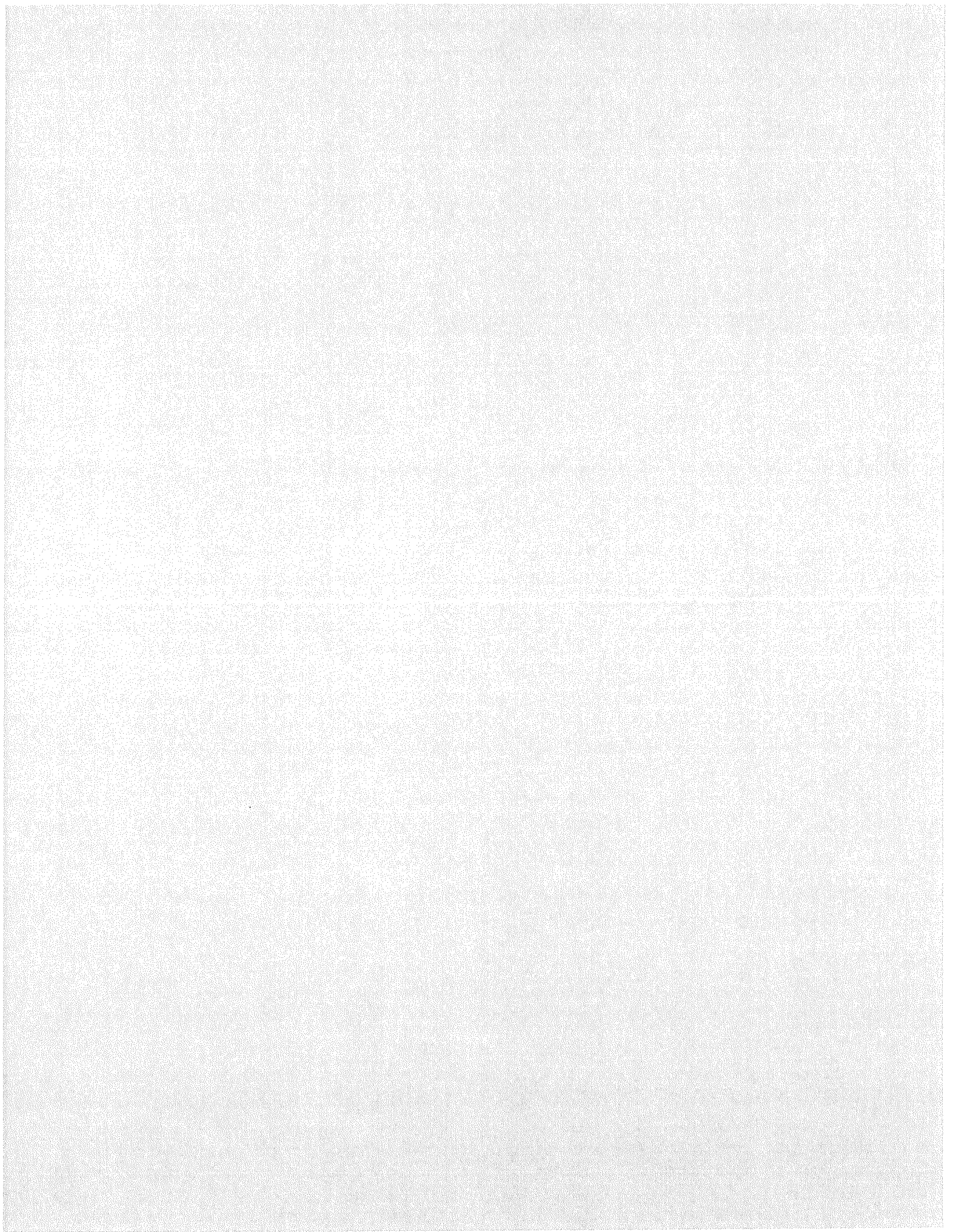
Signature of Solicitor

#603, 4656 Westwind Drive NE
Calgary, AB T3J 3Z1

(Print Name and Address of Solicitor)

I acknowledge and declare that all statements made in the foregoing letter are true and correct and that H. VENCIGIANO, the writer of the letter, in advising me, was consulted by me as my personal solicitor and in my interest only.

JINHEE CHUNG
Name of Guarantor



CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 – 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed **\$962,500.00**, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.



JAI HOON IN

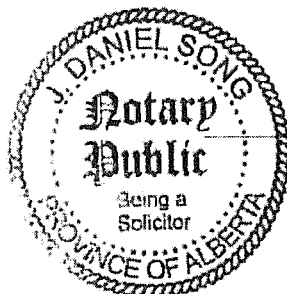
**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**


I HEREBY CERTIFY THAT:

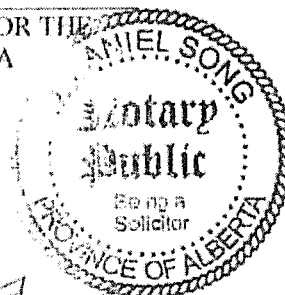
1. **JAI HOON IN**, of Grande Prairie, in the Province of Alberta, the guarantor in the guarantee dated the 22nd day of October, 2014, made between **JAI HOON IN** and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee.

2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30th day of October, 2014, under my hand and seal of office.



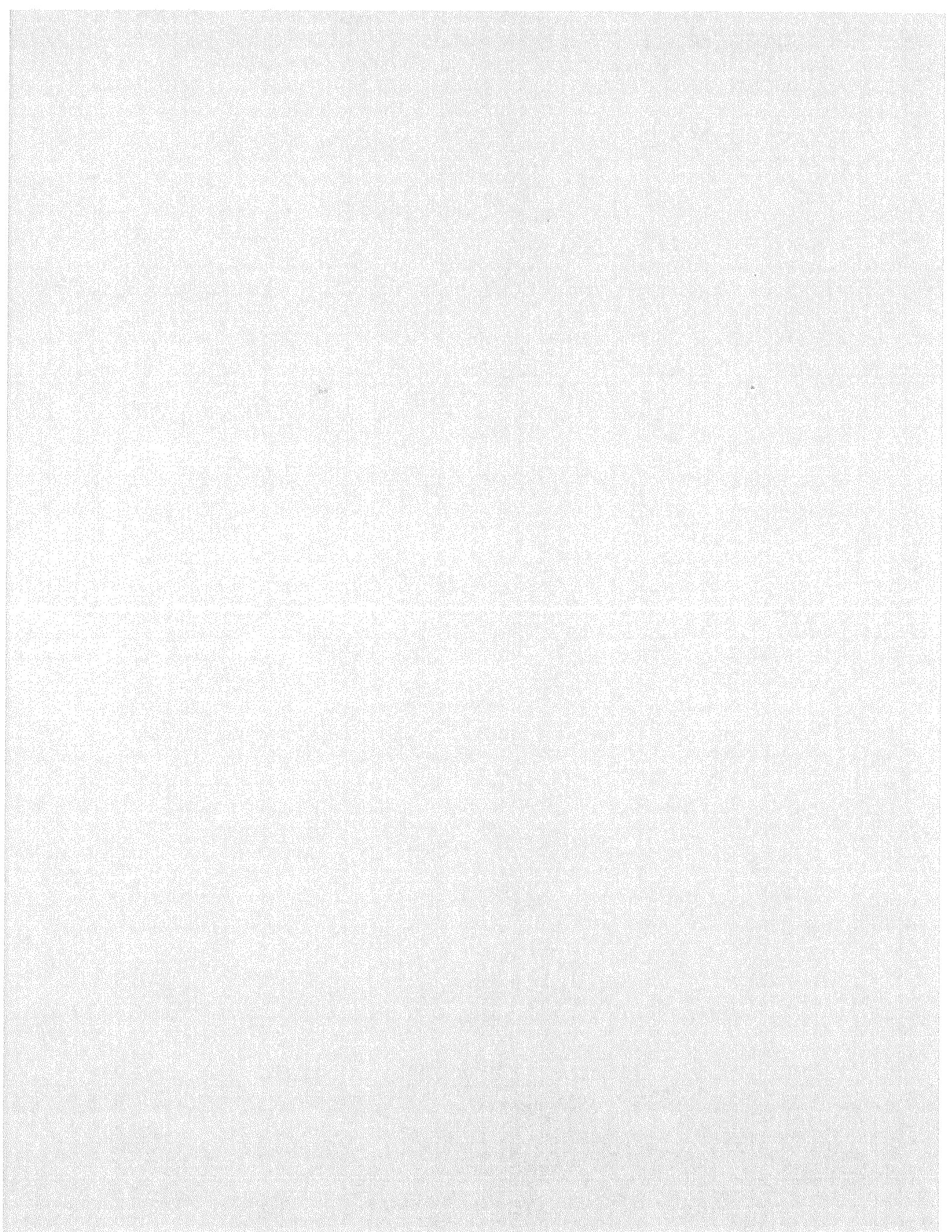

A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA



STATEMENT OF GUARANTOR

I am the person named in this certificate.


JAI HOON IN



ATB Financial

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF,
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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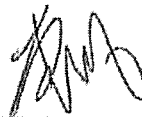
you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

ATB Financial*

20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enture to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30th day of October, 2014.



HAE SUK LEE

5ml

**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. HAE SUK LEE, of Calgary, in the Province of Alberta, one of the guarantors in the guarantee dated the 27 day of October, 2014, made between HAE SUK LEE and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that she had executed the guarantee.


2. I satisfied myself by examination of her that she is aware of the contents of the guarantee and understands it.

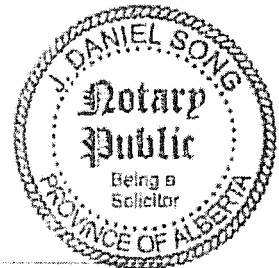
GIVEN at Calgary, Alberta, this 27 day of October, 2014, under my hand and seal of office.

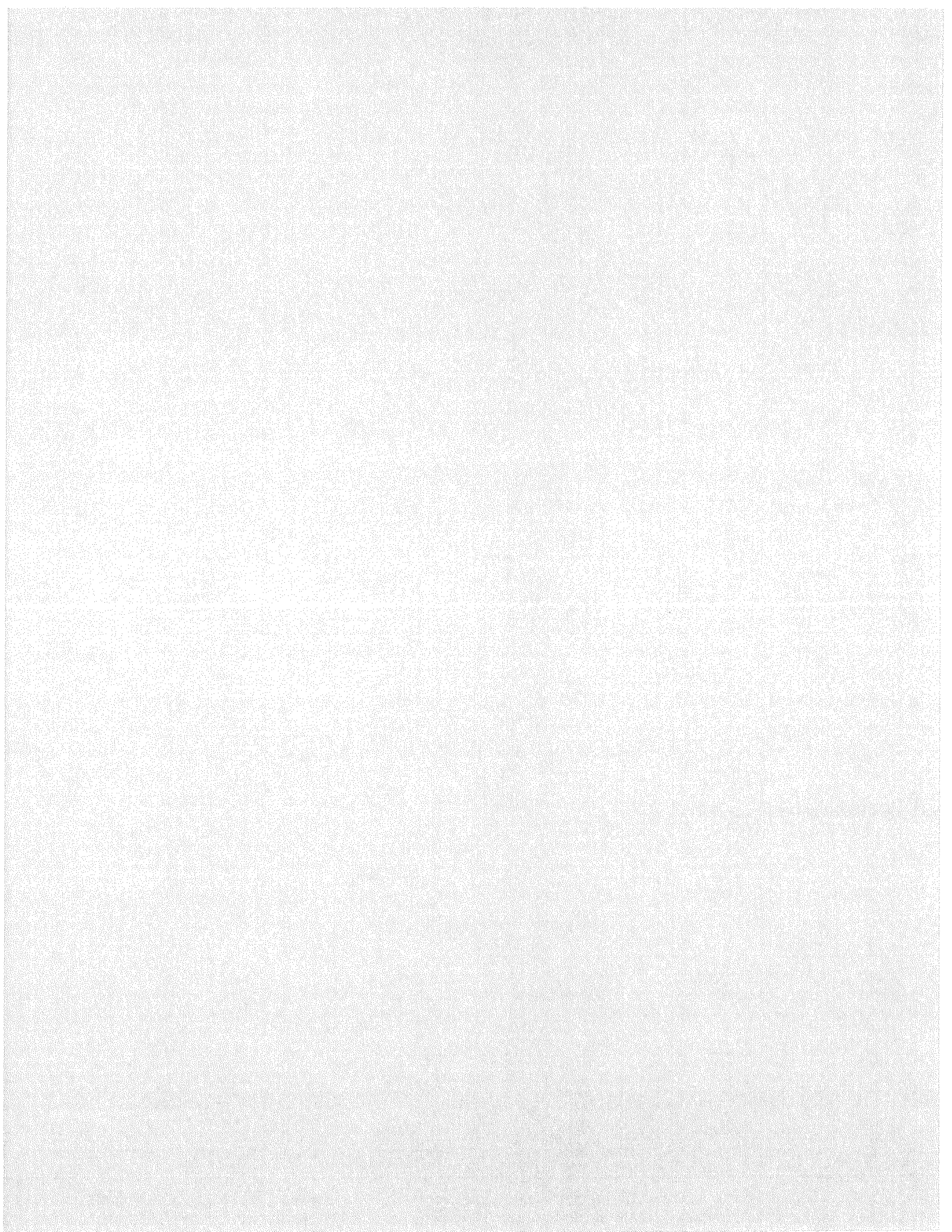

A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

STATEMENT OF GUARANTOR

I am the person named in this certificate.


HAE SUK LEE





CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with:

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.


KWANG RAE KIM



**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

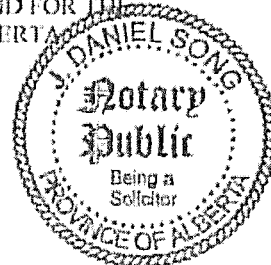
I HEREBY CERTIFY THAT:

1. KWANG RAE KIM, of Calgary, in the Province of Alberta, one of the guarantors in the guarantee dated the 30th day of October, 2014, made between KWANG RAE KIM and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee

2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30th day of October, 2014, under my hand and seal of office.

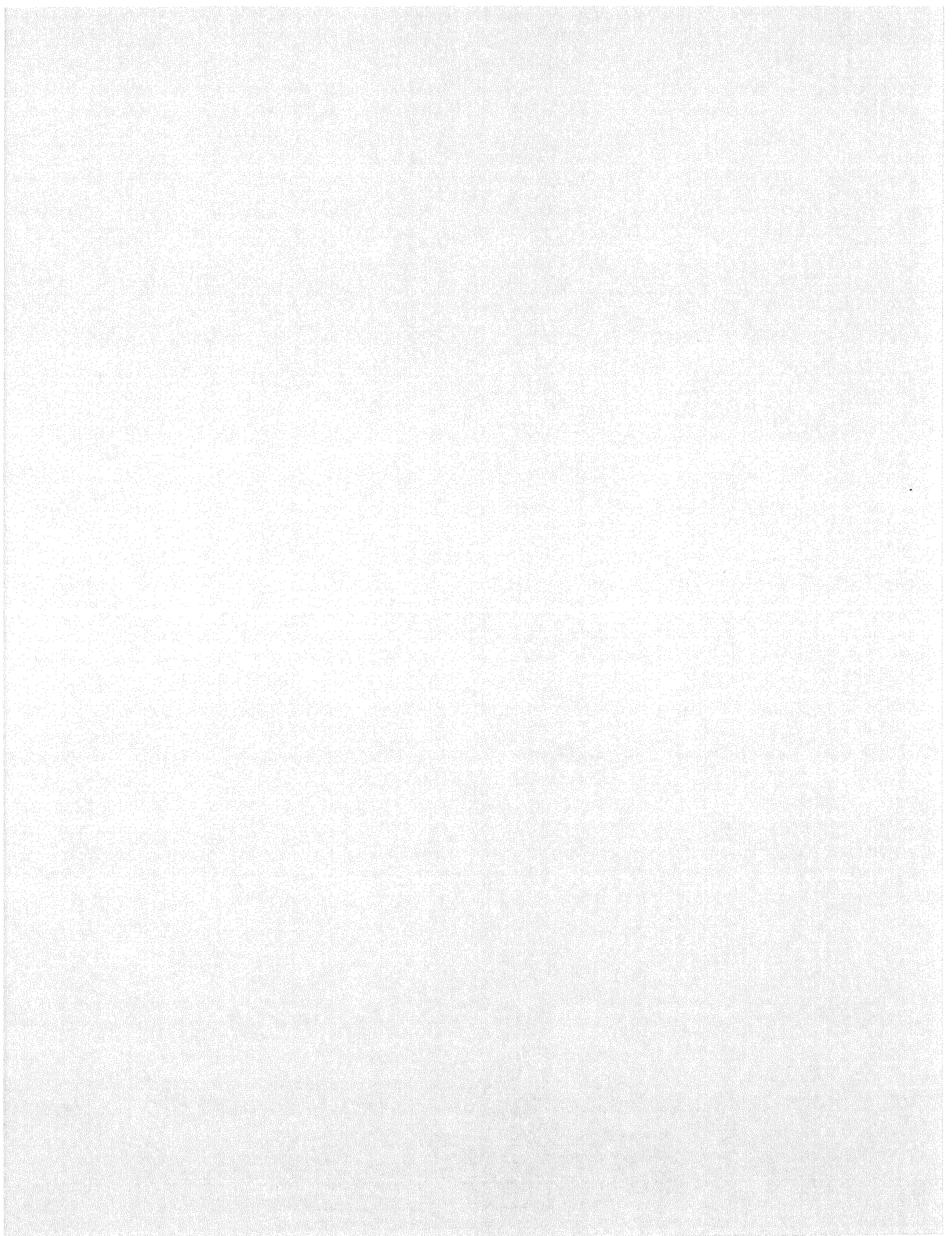

A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA



STATEMENT OF GUARANTOR

I am the person named in this certificate.


KWANG RAE KIM



ATB Financial

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

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you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

ATB Financial

20. Any word herein containing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of them) executors, administrators, legal personal representative, successor and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS. All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 21st day of October, 2014.



MYEONG SU CHONG



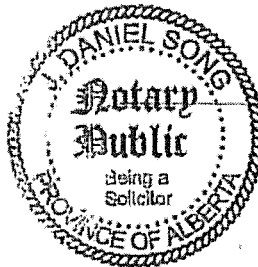
**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

1. **MYEONG SU CHONG**, of North York, in the Province of Ontario, one of the guarantors in the guarantee dated the 30 day of October, 2014, made between **MYEONG SU CHONG** and **ALBERTA TREASURY BRANCHES** which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee.

2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30th day of October, 2014, under my hand and seal of office.



A handwritten signature of the notary, Daniel Song.

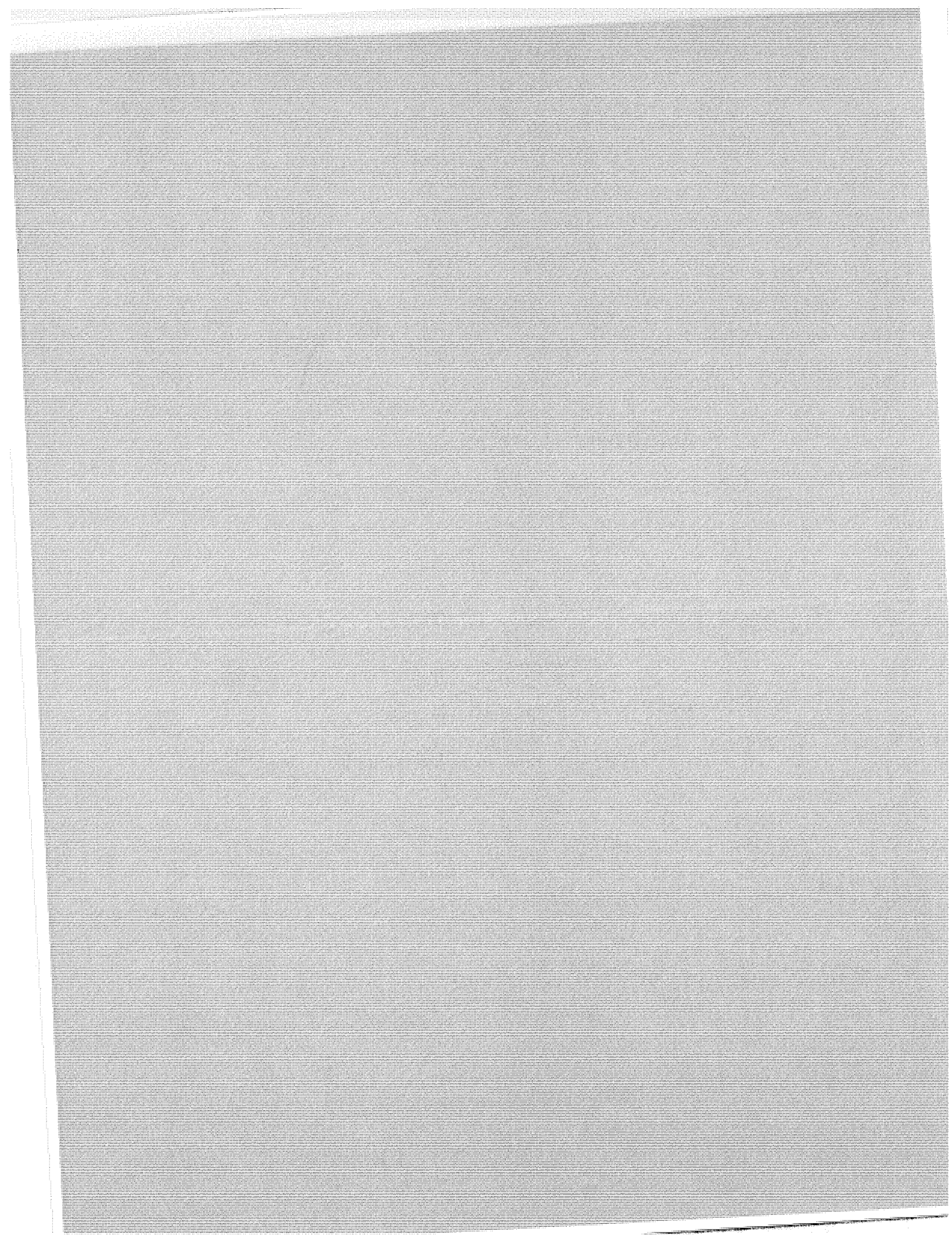
A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

STATEMENT OF GUARANTOR

I am the person named in this certificate.

A handwritten signature of the guarantor, Myeong Su Chong.

MYEONG SU CHONG



ATB Financial[®]

CONTINUING GUARANTEE (Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES
IN CARE OF:
239 - 8th Avenue SW
Calgary, AB T2P 1B9

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB or "you") extending credit to or otherwise dealing or continuing to deal with

1847845 ALBERTA LTD.

(hereafter called "the Customer"),

the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them, PROVIDED THAT the undersigned's liability under this guarantee shall not exceed \$962,500.00, plus interest after demand for payment hereunder, both before and after judgment, at a floating rate per annum of 3% above the prime lending rate from time to time established by ATB, plus any sums payable pursuant to paragraphs 12, 13, 16 and 22 of this guarantee.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you for any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no charge, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action to exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta), the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to

ATB Financial[®]

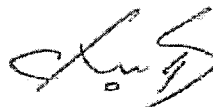
you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgement obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgement recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

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20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representative, successors and assigns.
22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefore is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed the guarantee under seal, this 30 day of October, 2014.



SANGKYUN CHOI

Seal

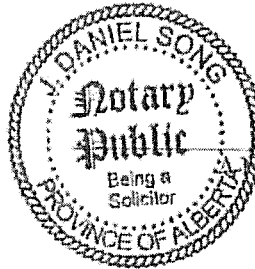
**GUARANTEES ACKNOWLEDGMENT ACT
CERTIFICATE OF NOTARY PUBLIC**

THE-REBY CERTIFY THAT:

1. SANGKYUN CHOI, of Calgary, in the Province of Alberta, the guarantor in the guarantee dated the 30 day of October, 2014, made between SANGKYUN CHOI and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he had executed the guarantee.

2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, Alberta, this 30 day of October, 2014, under my hand and seal of office.



A handwritten signature of the notary, J. Daniel Song, written in ink over a horizontal line.

NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

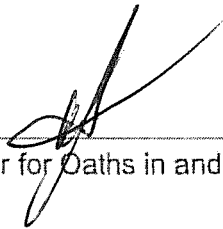
STATEMENT OF GUARANTOR

I am the person named in this certificate.

A handwritten signature of Sangkyun Choi, written in ink over a horizontal line.

SANGKYUN CHOI

This is **Exhibit "H"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818

My Commission Expires
December 29, 2021

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

FROM: 1847845 ALBERTA LTD. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;

- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it.

- Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
 - (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. **ACCELERATION**

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. **NOTICE**

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. **COSTS AND EXPENSES**

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. **REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)**

- (a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:
 - (i) any one of the events described in Section 7 hereof occurring;
 - (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
 - (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
 - (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. **REGISTRATION**

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 30 day of October, 2014.

WITNESS:

DEBTOR:

1847845 ALBERTA LTD.

Per: 

Per: _____

Full Address of Debtor:

4904 45 Street

Rocky Mountain House, Alberta

T4T 1P2

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired personal property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immoveable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except
- ☐ (d) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's , male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

| <u>Make</u> | <u>Model</u> | <u>Year of Manufacture</u> | <u>Serial Number (and Registration Mark for aircraft only)</u> |
|-------------|--------------|----------------------------|--|
| | | | |
| | | | |

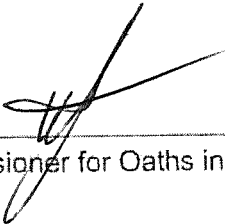
Locations of Collateral:

The Collateral is located at the following location(s):
4904 45 Street, Rocky Mountain House, Alberta T4T 1P2

SCHEDULE B PERMITTED ENCUMBRANCES

Nil.

This is **Exhibit "I"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

Search ID #: Z12108269

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 238199.8

Search ID #: Z12108269

Date of Search: 2019-Nov-06

Time of Search: 19:25:00

Business Debtor Search For:

1847845 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z12108269

Business Debtor Search For:

1847845 ALBERTA LTD.

Search ID #: Z12108269

Date of Search: 2019-Nov-06

Time of Search: 19:25:00

Registration Number: 14110517458

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

19073114928

Amendment

2019-Jul-31

Debtor(s)

Block

Status
Current

1 1847845 ALBERTA LTD.
4904 45 STREET
ROCKY MOUNTAIN HOUSE, AB T4T 1P2

Secured Party / Parties

Block

Status
Current

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Block

Status
Current by
19073114928

2 ATB FINANCIAL TRANSIT# 0900
2ND FLOOR, 217 16 AVENUE NW
CALGARY, AB T2M 0H5
Phone #: 403 974 5195 Fax #: 403 974 5143
Email: pprnotices@atb.com

Collateral: General

Block **Description**

Status

Search ID #: Z12108269

Business Debtor Search For:

1847845 ALBERTA LTD.

Search ID #: Z12108269

Date of Search: 2019-Nov-06 Time of Search: 19:25:00

Registration Number: 14110517523

Registration Date: 2014-Nov-05

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor No: 1

Amendments to Registration

19073115148

Amendment

2019-Jul-31

Debtor(s)

Block

Status
Current

1 1847845 ALBERTA LTD.
4904 45 STREET
ROCKY MOUNTAIN HOUSE, AB T4T 1P2

Secured Party / Parties

Block

Status
Current

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Block

Status
Current by
19073115148

2 ATB FINANCIAL TRANSIT# 0900
2ND FLOOR, 217 16 AVENUE NW
CALGARY, AB T2M 0H5
Phone #: 403 974 5195 Fax #: 403 974 5143
Email, pprnotices@atb.com

Search ID #: Z12108269

Business Debtor Search For:

1847845 ALBERTA LTD.

Search ID #: Z12108269

Date of Search: 2019-Nov-06 Time of Search: 19:25:00

Registration Number: 14110518393

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

19081350921

Amendment

2019-Aug-13

Debtor(s)

Block

Status

Current

1 1847845 ALBERTA LTD.
4904 45 STREET
ROCKY MOUNTAIN HOUSE, AB T4T 1P2

Secured Party / Parties

Block

Status

Deleted by
19081350921

1 AGRICULTURE FINANCIAL SERVICES CORPORATION
4910 - 52 STREET
CAMROSE, AB T4V 2V4
Phone #: 780 679 1350 Fax #: 780 679 1394

Block

Status

Current by
19081350921

2 AGRICULTURE FINANCIAL SERVICES CORPORATION
5718 56 AVENUE
LACOMBE, AB T4L 1B1
Phone #: 403 786 2683 Fax #: 403 782 8362
Email: LoanCompliance.SpecialAccounts@afsc.ca

Search ID #: Z12108269

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR. | Current |

Search ID #: Z12108269

Business Debtor Search For:

1847845 ALBERTA LTD.

Search ID #: Z12108269

Date of Search: 2019-Nov-06

Time of Search: 19:25:00

Registration Number: 14121826772

Registration Date: 2014-Dec-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2019-Dec-18 23:59:59

Exact Match on:

Debtor

No: 2

Debtor(s)

Block

1 TAMARACK MOTOR INN
4904-45 STREET
ROCKY MOUNTAIN HOUSE, AB T4T 1P2

Status

Current

Block

2 1847845 ALBERTA LTD.
4904-45 STREET
ROCKY MOUNTAIN HOUSE, AB T4T 1P2

Status

Current

Secured Party / Parties

Block

1 GROUPEX SYSTEMS CANADA INC.
15102-128 AVENUE
EDMONTON, AB T5V 1A8

Status

Current

Collateral: General

Block

Description

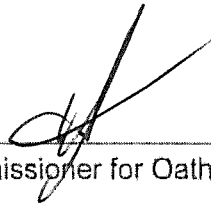
1 5-WBM12 BEVERAGE DISPENSERS, S/N 6405-291, 3406-4992, 4106-737, 4106-159,
9404-2161 & 1-INSTALLATION KIT WITH LARGE CARBONATOR, COLD PLATES(5),
FLAT RACKS, FLOJET PUMPS. TOTAL VALUE \$3,962.72

Status

Current

Result Complete

This is **Exhibit "J"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697818

My Commission Expires
December 29, 2021

GENERAL SECURITY AGREEMENT
Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

FROM: 1814905 ALBERTA LTD. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;

- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it.

- Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
 - (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. **ACCELERATION**

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. **NOTICE**

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. **COSTS AND EXPENSES**

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. **REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)**

- (a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:
 - (i) any one of the events described in Section 7 hereof occurring;
 - (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
 - (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
 - (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. **REGISTRATION**

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 30 day of October, 2014.

WITNESS:

DEBTOR:

1814905 ALBERTA LTD.

Per: 

Per: _____

Full Address of Debtor:

248 Aspen Meadows Court SW

Calgary, Alberta

T3H 4T3

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise);

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired personal property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immoveable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except :
- ☐ (d) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's , male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

| <u>Make</u> | <u>Model</u> | <u>Year of Manufacture</u> | <u>Serial Number (and Registration Mark for aircraft only)</u> |
|-------------|--------------|----------------------------|--|
| | | | |
| | | | |

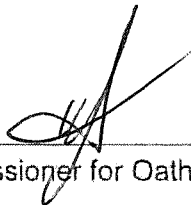
Locations of Collateral:

The Collateral is located at the following location(s):

SCHEDULE B PERMITTED ENCUMBRANCES

Nil.

This is **Exhibit "K"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

Search ID #: Z12108283

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 238199.8

Search ID #: Z12108283

Date of Search: 2019-Nov-06

Time of Search: 19:44:10

Business Debtor Search For:

1814905 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z12108283

Business Debtor Search For:

1814905 ALBERTA LTD.

Search ID #: Z12108283

Date of Search: 2019-Nov-06

Time of Search: 19:44:10

Registration Number: 14110517758

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 1814905 ALBERTA LTD.
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Current

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING
WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY,
INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE
DEBTOR.

Current

Search ID #: Z12108283

Business Debtor Search For:

1814905 ALBERTA LTD.

Search ID #: Z12108283

Date of Search: 2019-Nov-06

Time of Search: 19:44:10

Registration Number: 14110518237

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 2

Debtor(s)

Block

Status

Current

1 1847034 ALBERTA LTD.
806 LAUT AVENUE
CROSSFIELD, AB T0M 0S0

Block

Status

Current

2 1814905 ALBERTA LTD.
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Block

Status

Current

3 1816665 ALBERTA LTD.
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Block

Status

Current

4 HEOLLE ENTERPRISES INC.
16261 111A AVENUE
SURREY, BC V4N 4R7

Block

Status

Current

5 CHOI, SANGKYUN
47 EDGERIDGE VIEW NW
CALGARY, AB T3A 5Y9

Search ID #: Z12108283

Block

6 IN, JAI HOON
9009 129 AVENUE
GRANDE PRAIRIE, AB T8X 0A9

Birth Date:
1970-Nov-22

Status

Current

Block

7 CHONG, MYEONG SU
318 DOUGLAS AVENUE
NORTH YORK, ON M5M 1H1

Birth Date:
1968-Apr-21

Status

Current

Block

8 KIM, KWANG RAE
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Birth Date:
1961-Aug-14

Status

Current

Block

9 LEE, HAE SUK
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Birth Date:
1969-Feb-05

Status

Current

Block

10 CHUNG, JINHEE
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Birth Date:
1955-Oct-21

Status

Current

Block

11 HEO, WOORYOUNG
#30-6712 BAKER ROAD
DELTA, BC V4E 2V3

Birth Date:
1954-Dec-11

Status

Current

Search ID #: Z12108283

Birth Date:
1959-Feb-07

Secured Party / Parties

Block

Status
Current

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Collateral: General

Block

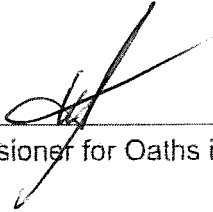
Description

Status
Current

1 ALL PRESENT AND FUTURE INDEBTEDNESS OF 1847845 ALBERTA LTD. TO ANY ONE OR MORE OF THE DEBTORS TOGETHER WITH ALL EVIDENCE OF THE INDEBTEDNESS AND ALL NEGOTIABLE INSTRUMENTS, SECURITIES, CHATTEL PAPER AND OTHER SECURITY HELD BY ANY ONE OR MORE OF THE DEBTORS IN CONNECTION WITH THE INDEBTEDNESS. PROCEEDS: ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF ANY ONE OR MORE OF THE DEBTORS.

Result Complete

This is **Exhibit "L"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

FROM: 1816665 ALBERTA LTD. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;

- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor, or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it.

- Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
 - (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)

- (a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:
 - (i) any one of the events described in Section 7 hereof occurring;
 - (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
 - (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
 - (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. **COPY OF AGREEMENT**

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 30 day of October, 2014.

WITNESS:

DEBTOR:

1816665 ALBERTA LTD.

Per: 

Per: _____

Full Address of Debtor:

10493 Rockylodge Street NW

Calgary, Alberta

T3G 5N2

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired personal property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immoveable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except :
- ☐ (d) All of the Debtor's _____ equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

| <u>Make</u> | <u>Model</u> | <u>Year of Manufacture</u> | <u>Serial Number (and Registration Mark for aircraft only)</u> |
|-------------|--------------|----------------------------|--|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

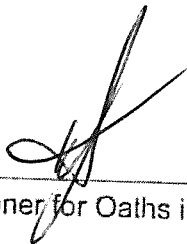
Locations of Collateral:

The Collateral is located at the following location(s):

SCHEDULE B PERMITTED ENCUMBRANCES

Nil.

This is **Exhibit "M"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

Search ID #: Z12108285

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 238199.8

Search ID #: Z12108285

Date of Search: 2019-Nov-06

Time of Search: 19:45:37

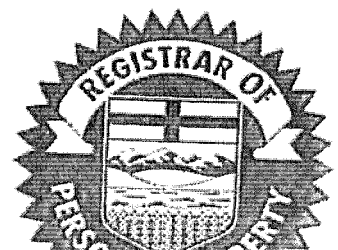
Business Debtor Search For:

1816665 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z12108285

Business Debtor Search For:

1816665 ALBERTA LTD.

Search ID #: Z12108285

Date of Search: 2019-Nov-06

Time of Search: 19:45:37

Registration Number: 14110517791

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

1 1816665 ALBERTA LTD.
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Status
Current

Secured Party / Parties

Block

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Status
Current

Collateral: General

Block **Description**

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING
WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY,
INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE
DEBTOR.

Status
Current

Search ID #: Z12108285

Business Debtor Search For:

1816665 ALBERTA LTD.

Search ID #: Z12108285

Date of Search: 2019-Nov-06 Time of Search: 19:45:37

Registration Number: 14110518237

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on: Debtor No: 3

Debtor(s)

Block

| | | <u>Status</u> |
|---|---|----------------------|
| 1 | 1847034 ALBERTA LTD. 806 LAUT AVENUE CROSSFIELD, AB T0M 0S0 | Current |

Block

| | | <u>Status</u> |
|---|---|----------------------|
| 2 | 1814905 ALBERTA LTD. 248 ASPEN MEADOWS COURT SW CALGARY, AB T3H 4T3 | Current |

Block

| | | <u>Status</u> |
|---|---|----------------------|
| 3 | 1816665 ALBERTA LTD. 10493 ROCKYLODGE STREET NW CALGARY, AB T3G 5N2 | Current |

Block

| | | <u>Status</u> |
|---|--|----------------------|
| 4 | HEOLEE ENTERPRISES INC. 16261 111A AVENUE SURREY, BC V4N 4R7 | Current |

Block

| | | <u>Status</u> |
|---|---|----------------------|
| 5 | CHOI, SANGKYUN 47 EDGERIDGE VIEW NW CALGARY, AB T3A 5Y9 | Current |

Birth Date:
1966-Jan-19

Search ID #: Z12108285

Block

6 IN, JAI HOON
9009 129 AVENUE
GRANDE PRAIRIE, AB T8X 0A9

Status
Current

Birth Date:
1970-Nov-22

Block

7 CHONG, MYEONG SU
318 DOUGLAS AVENUE
NORTH YORK, ON M5M 1H1

Status
Current

Birth Date:
1968-Apr-21

Block

8 KIM, KWANG RAE
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Birth Date:
1961-Aug-14

Block

9 LEE, HAE SUK
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Birth Date:
1969-Feb-05

Block

10 CHUNG, JINHEE
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Status
Current

Birth Date:
1955-Oct-21

Block

11 HEO, WOODYOUNG
#30-6712 BAKER ROAD
DELTA, BC V4E 2V3

Status
Current

Birth Date:
1954-Dec-11

Block

12 LEE, KYOUNGOK

Status
Current

**Personal Property Registry
Search Results Report**

Page 5 of 5

Search ID #: Z12108285

Birth Date:
1959-Feb-07

Secured Party / Parties

Block

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Status

Current

Collateral: General

Block **Description**

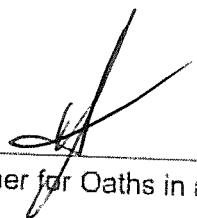
1 ALL PRESENT AND FUTURE INDEBTEDNESS OF 1847845 ALBERTA LTD. TO ANY
ONE OR MORE OF THE DEBTORS TOGETHER WITH ALL EVIDENCE OF THE
INDEBTEDNESS AND ALL NEGOTIABLE INSTRUMENTS, SECURITIES, CHATTEL
PAPER AND OTHER SECURITY HELD BY ANY ONE OR MORE OF THE DEBTORS IN
CONNECTION WITH THE INDEBTEDNESS. PROCEEDS: ALL PRESENT AND AFTER-
ACQUIRED PERSONAL PROPERTY OF ANY ONE OR MORE OF THE DEBTORS.

Status

Current

Result Complete

This is **Exhibit "N"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697816

My Commission Expires
December 29, 2021

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

FROM: 1847034 ALBERTA LTD. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;

- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it.

Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;

- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
- (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)

(a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:

- (i) any one of the events described in Section 7 hereof occurring;
- (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
- (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
- (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.

(b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 30 day of October, 2014.

WITNESS:

DEBTOR:

1847034 ALBERTA LTD.

Per: 

Per: _____

Full Address of Debtor:

806 Laut Avenue

Crossfield, Alberta

T0M 0S0

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired personal property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immovable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except
- ☐ (d) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's , male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

| <u>Make</u> | <u>Model</u> | <u>Year of Manufacture</u> | <u>Serial Number (and Registration Mark for aircraft only)</u> |
|-------------|--------------|--------------------------------|--|
| | | | |
| | | | |

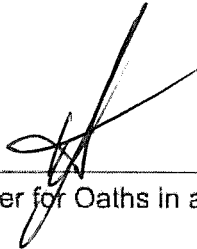
Locations of Collateral:

The Collateral is located at the following location(s):

SCHEDULE B PERMITTED ENCUMBRANCES

Nil.

This is **Exhibit "O"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697618

My Commission Expires
December 29, 2021

Search ID #: Z12108276

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 238199.8

Search ID #: Z12108276

Date of Search: 2019-Nov-06

Time of Search: 19:39:05

Business Debtor Search For:

1847034 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z12108276

Business Debtor Search For:

1847034 ALBERTA LTD.

Search ID #: Z12108276

Date of Search: 2019-Nov-06 Time of Search: 19:39:05

Registration Number: 14110517654

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

1 1847034 ALBERTA LTD.
806 LAUT AVENUE
CROSSFIELD, AB T0M 0S0

Status
Current

Secured Party / Parties

Block

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Status
Current

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING
WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY,
INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE
DEBTOR.

Status
Current

Search ID #: Z12108276

Business Debtor Search For:

1847034 ALBERTA LTD.

Search ID #: Z12108276

Date of Search: 2019-Nov-06 Time of Search: 19:39:05

Registration Number: 14110518237

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

1 1847034 ALBERTA LTD.
806 LAUT AVENUE
CROSSFIELD, AB T0M 0S0

Status
Current

Block

2 1814905 ALBERTA LTD.
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Block

3 1816665 ALBERTA LTD.
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Status
Current

Block

4 HEOLLE ENTERPRISES INC.
16261 111A AVENUE
SURREY, BC V4N 4R7

Status
Current

Block

5 CHOI, SANGKYUN
47 EDGERIDGE VIEW NW
CALGARY, AB T3A 5Y9

Status
Current

Birth Date:
1966-Jan-19

Search ID #: Z12108276

Block

6 IN, JAI HOON
9009 129 AVENUE
GRANDE PRAIRIE, AB T8X 0A9

Birth Date:
1970-Nov-22

Status

Current

Block

7 CHONG, MYEONG SU
318 DOUGLAS AVENUE
NORTH YORK, ON M5M 1H1

Birth Date:
1968-Apr-21

Status

Current

Block

8 KIM, KWANG RAE
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Birth Date:
1961-Aug-14

Status

Current

Block

9 LEE, HAE SUK
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Birth Date:
1969-Feb-05

Status

Current

Block

10 CHUNG, JINHEE
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Birth Date:
1955-Oct-21

Status

Current

Block

11 HEO, WOORYOUNG
#30-6712 BAKER ROAD
DELTA, BC V4E 2V3

Birth Date:
1954-Dec-11

Status

Current

Block

12 LEE, KYOUNGOK
#30-6712 BAKER ROAD

Status

Current

**Personal Property Registry
Search Results Report**

Page 5 of 5

Search ID #: Z12108276

Birth Date:
1959-Feb-07

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Current

Collateral: General

Block

Description

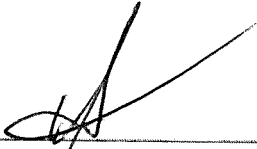
Status

1 ALL PRESENT AND FUTURE INDEBTEDNESS OF 1847845 ALBERTA LTD. TO ANY
ONE OR MORE OF THE DEBTORS TOGETHER WITH ALL EVIDENCE OF THE
INDEBTEDNESS AND ALL NEGOTIABLE INSTRUMENTS, SECURITIES, CHATTEL
PAPER AND OTHER SECURITY HELD BY ANY ONE OR MORE OF THE DEBTORS IN
CONNECTION WITH THE INDEBTEDNESS. PROCEEDS: ALL PRESENT AND AFTER-
ACQUIRED PERSONAL PROPERTY OF ANY ONE OR MORE OF THE DEBTORS.

Current

Result Complete

This is **Exhibit "P"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

FROM: HEOLLE ENTERPRISES INC. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
 - (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;

- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral; including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it.

- Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
 - (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)

- (a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:
 - (i) any one of the events described in Section 7 hereof occurring;
 - (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
 - (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
 - (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 30 day of October, 2014.

WITNESS:

DEBTOR:

HEOLEE ENTERPRISES INC.

Per: 

Per: _____

Full Address of Debtor:

16261 111A Avenue

Surrey, BC

V4N 4R7

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- ☐ (a) All of the Debtor's present and after-acquired personal property.
- ☒ (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immoveable and leasehold property.
- ☐ (c) All of the Debtor's present and after-acquired Personal Property except :
- ☐ (d) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (g) The following described Personal Property of the Debtor:
- ☐ (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (i) All of the Debtor's , male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

| <u>Make</u> | <u>Model</u> | <u>Year of Manufacture</u> | <u>Serial Number (and Registration Mark for aircraft only)</u> |
|-------------|--------------|----------------------------|--|
| | | | |
| | | | |

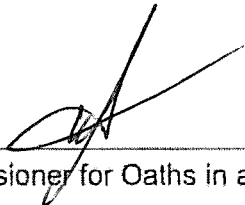
Locations of Collateral:

The Collateral is located at the following location(s):

SCHEDULE B PERMITTED ENCUMBRANCES

Nil.

This is **Exhibit "Q"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 28, 2021

Search ID #: Z12108286

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 238199.8

Search ID #: Z12108286

Date of Search: 2019-Nov-06

Time of Search: 19:46:30

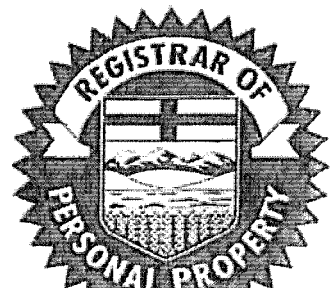
Business Debtor Search For:

HEOLEE ENTERPRISES INC.

Both Exact and Inexact Result(s) Found

NOTE:

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



Search ID #: Z12108286

Business Debtor Search For:

HEOLEE ENTERPRISES INC.

Search ID #: Z12108286

Date of Search: 2019-Nov-06

Time of Search: 19:46:30

Registration Number: 14110517845

Registration Date: 2014-Nov-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 HEOLEE ENTERPRISES INC.
16261 111A AVENUE
SURREY, BC V4N 4R7

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Current

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING
WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY,
INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE
DEBTOR.

Current

Search ID #: Z12108286

Business Debtor Search For:

HEOLEE ENTERPRISES INC.

Search ID #: Z12108286

Date of Search: 2019-Nov-06

Time of Search: 19:46:30

Registration Number: 14110518237

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Nov-05

Registration Status: Current

Expiry Date: 2029-Nov-05 23:59:59

Exact Match on:

Debtor

No: 4

Debtor(s)

Block

1 1847034 ALBERTA LTD.
806 LAUT AVENUE
CROSSFIELD, AB T0M 0S0

Status
Current

Block

2 1814905 ALBERTA LTD.
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Block

3 1816665 ALBERTA LTD.
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Status
Current

Block

4 HEOLEE ENTERPRISES INC.
16261 111A AVENUE
SURREY, BC V4N 4R7

Status
Current

Block

5 CHOI, SANGKYUN
47 EDGERIDGE VIEW NW
CALGARY, AB T3A 5Y9

Status
Current

Birth Date:
1966-Jan-19

Search ID #: Z12108286

Block

6 IN, JAI HOON
9009 129 AVENUE
GRANDE PRAIRIE, AB T8X 0A9

Status
Current

Birth Date:
1970-Nov-22

Block

7 CHONG, MYEONG SU
318 DOUGLAS AVENUE
NORTH YORK, ON M5M 1H1

Status
Current

Birth Date:
1968-Apr-21

Block

8 KIM, KWANG RAE
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Birth Date:
1961-Aug-14

Block

9 LEE, HAE SUK
248 ASPEN MEADOWS COURT SW
CALGARY, AB T3H 4T3

Status
Current

Birth Date:
1969-Feb-05

Block

10 CHUNG, JINHEE
10493 ROCKYLODGE STREET NW
CALGARY, AB T3G 5N2

Status
Current

Birth Date:
1955-Oct-21

Block

11 HEO, WOORYOUNG
#30-6712 BAKER ROAD
DELTA, BC V4E 2V3

Status
Current

Birth Date:
1954-Dec-11

Block

12 LEE, KYOUNGOK
#30-6712 BAKER ROAD

Status
Current

Search ID #: Z12108286

Birth Date:
1959-Feb-07

Secured Party / Parties

Block

Status
Current

1 ALBERTA TREASURY BRANCHES
239 8TH AVENUE SW
CALGARY, AB T2P 1B9

Collateral: General

Block

Description

Status
Current

1 ALL PRESENT AND FUTURE INDEBTEDNESS OF 1847845 ALBERTA LTD. TO ANY ONE OR MORE OF THE DEBTORS TOGETHER WITH ALL EVIDENCE OF THE INDEBTEDNESS AND ALL NEGOTIABLE INSTRUMENTS, SECURITIES, CHATTEL PAPER AND OTHER SECURITY HELD BY ANY ONE OR MORE OF THE DEBTORS IN CONNECTION WITH THE INDEBTEDNESS. PROCEEDS: ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF ANY ONE OR MORE OF THE DEBTORS.

Search ID #: Z12108286

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

Reg.#

H.Y. LOUIE CO. LIMITED
2821 PRODUCTION WAY
BURNABY, BC V5A3G7

91090511360

SECURITY AGREEMENT

Debtor Name / Address

Reg.#

H.Y. LOUIE CO. LIMITED
2821 PRODUCTION WAY
BURNABY, BC V5A3G7

92123112440

LAND CHARGE

Debtor Name / Address

Reg.#

HAYLEY HOLDINGS LTD.
7071 - 112 AVENUE SE
CALGARY, AB T2C 5A5

18052931757

SECURITY AGREEMENT

Debtor Name / Address

Reg.#

HOLLOWAY SERVICES LTD.
BOX 1236
SLAVE LAKE, AB T0G 2A0

12030926434

SECURITY AGREEMENT

Debtor Name / Address

Reg.#

HOLLY HOLDINGS LTD.
134 VALLEY GLEN HEIGHTS NW
CALGARY, AB T3B 5S8

07073116431

LAND CHARGE

Result Complete

This is **Exhibit "R"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697818

My Commission Expires

December 29, 2021

Personal Property Registry

Selection List

For: [PL96238] [ELDOR-WAL REGISTRATIONS (1987) LT]

Nov 07, 2019

11:10:59 AM

| | | | | | |
|------------------------|----------------------|----------------------|----------------------|---------------------------------|------------------------|
| Return | <input type="text"/> | <input type="text"/> | <input type="text"/> | Send to Mailbox | Help ? |
|------------------------|----------------------|----------------------|----------------------|---------------------------------|------------------------|

Folio:

[BC OnLine Mailbox](#)

Business Name: HEOLEE
ENTERPRISES INC.

➔ **Exact Matches: 1**

Local Print Limit:

BSR101 - NO MORE INFORMATION TO DISPLAY

Debtor Name

➔ HEOLEE ENTERPRISES INC.

[Display Selection](#)

Lterm: XPSP0054 For: PL96238 ELDOR-WAL REGISTRATIONS (1987) LT 11:10:59

Index: BUSINESS DEBTOR

Search Criteria: HEOLLE ENTERPRISES INC.

***** PPSA SECURITY AGREEMENT *****

Reg. Date: AUG 22, 2019 Reg. Length: 5 YEARS
Reg. Time: 13:24:10 Expiry Date: AUG 22, 2024
Base Reg. #: 718386L Control #: D6260393

unlock

S0001 Secured Party: ATB FINANCIAL
9907 - 106A STREET
EDMONTON AB T6V 8E9

=D0001 Base Debtor: MEOLLE ENTERPRISES INC.
 (Business) 16261 111A AVENUE
 SURREY BC V4N4R7

General Collateral:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY, INCLUDING WITHOUT RESTRICTION ALL CASH, MONEY AND INTANGIBLES OF THE DEBTOR.

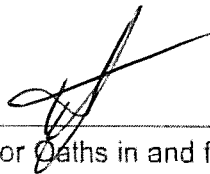
Registering

Party: ELDDOR-WAL REGISTRATIONS (1987) LTD.
1200, 10123 99 ST NW
EDMONTON AB T5J 3H1

Some, but not all, tax liens and other Crown claims are registered at the Personal Property Registry (PPR) and if registered, will be displayed on this search result. HOWEVER, it is possible that a particular chattel is subject to a Crown claim that is not registered at the PPR. Please consult the Miscellaneous Registrations Act, 1992 for more details. If you are concerned that a particular chattel may be subject to a Crown claim not registered at the PPR, please consult the agency administering the type of Crown claim.

[illegible]

This is **Exhibit "S"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

LAND TITLES ACT

COLLATERAL MORTGAGE

1847845 ALBERTA LTD., of 4904 45 Street, Rocky Mountain House, AB T4T 1P2, (the "Mortgagor") has become or may hereafter become indebted, obligated or liable, whether directly or indirectly, absolutely or contingently, to Alberta Treasury Branches at 239 8th Avenue SW, Calgary, Alberta T2P 1B9 (the "Mortgagee").

As collateral security for the payment by the Mortgagor of any sums required to be paid from time to time to the Mortgagee and the performance of any covenants and obligations of the Mortgagor in the Mortgage to be performed from time to time, the Mortgagor has agreed to execute and deliver this mortgage.

The Mortgagor, being or being entitled to become registered as owner of an estate in fee simple possession, subject however to such encumbrances, liens and interests as are notified on the Certificate of Title therefor, in those lands located in the Province of Alberta and described as follows (or as described in Schedule "A" attached hereto):

PLAN 0121120

BLOCK 33

LOT 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 0.753 HECTARES (1.86 ACRES) MORE OR LESS

(which, with the buildings and improvements located thereon, are collectively called the "Lands"), in consideration of the premises, COVENANTS with the Mortgagee as follows:

1. PAYMENT

The Mortgagor hereby acknowledges that the Mortgagor is or may become obligated to pay to the Mortgagee the Obligations (as hereinafter defined) from time to time in accordance with and in the manner agreed to between the Mortgagee and the Mortgagor.

"Obligations" means, collectively, all amounts owing to the Mortgagee by the Mortgagor from time to time, whether present or future, direct or indirect, absolute or contingent, matured or not, and however arising, and whether pursuant to a revolving line of credit, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the Lands, including principal, interest and costs.

2. COLLATERAL SECURITY

The Mortgagor hereby encumbers, mortgages and charges the Lands with payment of the Obligations, up to: (a) the principal amount of THREE MILLION EIGHT HUNDRED THOUSAND (\$3,800,000.00) DOLLARS, plus (b) interest (the "Interest Rate") thereon, before and after maturity, default and judgment, until paid, computed at a floating rate equal to 5% per annum above the prime lending rate established by the Mortgagee from time to time for commercial loans made by it in Canada in Canadian dollars, calculated daily and payable monthly not in advance, with interest on overdue interest at the same rate, and (c) all further monies which may become payable pursuant to the terms of this mortgage.

This mortgage is given and taken as general and continuing collateral security to secure payment and performance of the Obligations and this mortgage shall obtain priority for all Obligations notwithstanding that at any time or from time to time there may not be any Obligations then outstanding or the amount of the Obligations may fluctuate from time to time. It is acknowledged by the Mortgagor that if the Mortgagee extends a revolving line of credit to the Mortgagor, this mortgage may be held as collateral security for such revolving line of credit up to the principal amount specified above. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute prima facie evidence of the amount of Obligations outstanding and owing from time to time by the Mortgagor to the Mortgagee.

3. NO MERGER

The taking of a judgment or judgments under any of the covenants contained in this mortgage, in any agreement evidencing the Obligations, or in any other security for payment of the Obligations will not operate as a merger of such covenants or of the Mortgagee's security by way of a charge against the Lands or affect the Mortgagee's right to interest hereunder at the Interest Rate. It is distinctly understood and agreed that the Interest Rate will be payable on the amount of any judgment.

4. TAXES, CLAIMS AND COSTS

- (a) The Mortgagor will pay all taxes, rates, levies, assessments and impositions of the municipality or any other taxing authority which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, or any part thereof, or on this mortgage or on the Mortgagee in respect of this mortgage, when the same become due, and will provide the Mortgagee with the receipts therefor.
- (b) The Mortgagor will pay and discharge when due all claims of and obligations to labourers, builders, material suppliers and others and all other claims, debts and obligations which by the laws of Canada or of the Province of Alberta have or might have priority over the security hereby created, and will provide the Mortgagee with the receipts therefor.
- (c) If the Mortgagor fails to pay when due any of the items required to be paid by the Mortgagor pursuant to any provision of this mortgage, the Mortgagee may, but will not be obligated to, pay such items.
- (d) If the Mortgagor fails to repair as provided by this mortgage, the Mortgagee may, but will not be obligated to, at such time or times as it deems necessary and without the concurrence of any other person, make arrangements for maintaining, restoring, repairing, finishing, adding to, or putting in order the Lands, and for managing, improving, and taking care of them.
- (e) All solicitor's, inspector's, valuator's, surveyor's and other fees and expenses for drawing and registering this mortgage, for examining the Lands and the title therein, and for making or maintaining this mortgage a first charge, or if approved by the Mortgagee, a subsequent charge, on the Lands, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting (including legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of the Mortgagee or of any agent, solicitor or servant of the Mortgagee for any purpose herein provided), together with all sums which the Mortgagee from time to time advances, expends or incurs pursuant to any provision contained in this mortgage,

Whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise, are to be secured hereby and will be a charge on the Lands, together with interest thereon at the Interest Rate calculated from the date of advance or expenditure by the Mortgagee to the date of payment to the Mortgagee. All such monies will be payable to the Mortgagee on demand.

5 INSURANCE

- (a) The Mortgagor will immediately insure and keep insured during the continuance of this security the Lands to their full insurable value, with an insurer or insurers approved by the Mortgagee, against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and such other risks as the Mortgagee requires. The Mortgagor will also obtain such other insurance, of kinds and in amounts required by the Mortgagee (including but not limited to business interruption or rental loss insurance if appropriate). The Mortgagor will not do or permit anything which might impair, reduce or void such insurance.
- (b) The Mortgagor will deliver to the Mortgagee the policy or policies of insurance affecting the Lands with a mortgage clause attached, any loss thereunder to be payable to the Mortgagee.
- (c) The Mortgagor will pay all premiums and sums of money necessary to obtain and maintain such insurance as the same become due and, if requested by the Mortgagee, will immediately after payment deliver to the Mortgagee the receipts therefor. Evidence of the renewal of such insurance will, if requested by the Mortgagee, be provided to the Mortgagee at least seven business days before the insurance then existing expires; otherwise the Mortgagee may insure as herein provided.
- (d) If there is loss or damage from any of the risks insured against, the Mortgagor will furnish proof of loss at its own expense and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and in respect of any such insurance monies received by the Mortgagee the Mortgagee may at its option:
 - (i) apply the same in or towards substantially rebuilding, reinstating or repairing the Lands; or
 - (ii) apply the same in the manner set forth in paragraph 21(e) hereof; or
 - (iii) pay the same in whole or in part to the Mortgagor, but no such payment will operate as payment or a novation of the Mortgagor's indebtedness hereunder or as a reduction of this Mortgage; or
 - (iv) apply the same partly in one way and partly in another as the Mortgagee in its sole discretion determines.

To ensure that the Mortgagee may so apply such insurance monies in the manner aforesaid, the Mortgagor assigns and releases to the Mortgagee all rights of the Mortgagor to receive the insurance monies and expressly waives all rights and benefits, to the extent that the same is permitted by law, pursuant to any legislation which provides for a contrary application of such insurance monies.

- (e) The Mortgagor hereby constitutes and appoints the Mortgagee as its attorney for the purpose of demanding, recovering and receiving payment of all insurance monies to which it may become entitled. Without limiting the generality of the foregoing, the Mortgagee may, in the name of the Mortgagor, file proofs of claim with any insurer who insures the Lands, settle or compromise any claim for insurance proceeds in respect of the Lands, commence and prosecute any action for recovery of insurance proceeds in respect of the Lands, and settle or compromise any such action. Notwithstanding the foregoing, it will remain the Mortgagor's responsibility to demand, recover and receive such payments and nothing herein will render the Mortgagee liable to the Mortgagor for any act done by it in pursuance of the power of attorney granted in this paragraph 5(c) or for its failure to do any act or take any step permitted herein.
- (f) Pending application of any insurance monies by the Mortgagee, the same will be deemed to form part of the Lands and be subject to the charge hereby created.
- (g) If the Mortgagor neglects to keep the Lands or any part of them insured as aforesaid or to pay the said premiums and sums of money necessary for such purpose or to deliver the policy or policies or receipts as aforesaid then the Mortgagee will be entitled, but will not be obliged, to insure the Lands in the manner aforesaid.

6 IMPROVEMENTS TO RE FIXTURES

All improvements, fixed or otherwise, now on or hereafter put on the Lands (including but not limited to all buildings, mobile homes, machinery, plant, fences, furnaces, boilers, water heaters, heating, plumbing, air conditioning, cooking, refrigerating, ventilating, lighting and water-heating equipment, window blinds, storm windows, storm doors, window screens and screen doors, and all apparatus and equipment appurtenant thereto, whether movable or stationary, with the proper, usual and necessary gears, construction and appliances) are and will, in addition to other fixtures thereon, be and become fixtures and become part of the realty and of the security and are included in the expression the "Lands".

7 USE OF THE LANDS

- (a) The Mortgagor will not commit or permit any act of waste on the Lands or any portion thereof or do or permit anything which might impair the value thereof.
- (b) The Mortgagor will at all times during the continuance of this mortgage well and sufficiently repair, maintain, restore and keep the Lands and every part thereof in good and substantial repair.
- (c) The Mortgagee by its agents, solicitors or purchasers may enter upon the Lands or any part thereof at any reasonable time to view their state of repair.
- (d) If in the opinion of the Mortgagee the Lands or any part thereof are not in a proper state of repair it may serve notice upon the Mortgagor to make such repairs or replacements as the Mortgagee deems proper within a time limited by such notice. If the Mortgagor fails to comply with such notice such failure will constitute a breach of covenant hereunder and in such event the Mortgagee or its agents, employees or contractors may enter upon the Lands and proceed to repair as provided in this mortgage and will have all the remedies set forth herein.
- (e) The Mortgagor will not make, or permit to be made, any alterations or additions to the Lands, or change their present use thereof, without the consent of the Mortgagee.

- (f) If the Mortgagor rents out all or any portion of the Lands, the Mortgagor will faithfully perform any landlord's covenants which it may have undertaken or which it may hereafter undertake as landlord under any such leases and will neither do, neglect to do, nor permit to be done, anything (other than pursuing the enforcement of the terms of such leases in accordance with the terms thereof) which may cause a material modification or termination of any such leases or which may diminish the value of any leases, the rents provided for therein, or the interest of the Mortgagor or Mortgagee herein. The Mortgagor will not assign its interest in any such leases. The Mortgagor will give the Mortgagee immediate notice of any material default or notice of cancellation under any such leases.
- (g) In its ownership, operation and management of the Lands, the Mortgagor will observe and comply with all applicable federal, provincial and municipal by-laws, statutes, ordinances, regulations, orders and restrictions including but not limited to all health, fire safety and land use by-laws and all building codes affecting the Lands.

8 CARE OF THE LANDS

- (a) In this mortgage:
 - (i) "environment" includes the Lands and surroundings;
 - (ii) "pollutant" means any substance, class of substances, mixture of substances, form of energy or combination thereof that is capable of entering the environment in a quantity or concentration or under conditions that may cause an immediate or long term adverse effect, and includes anything defined as a hazardous substance, hazardous waste, toxic substance, dangerous goods, hazardous chemical, contaminant, or agricultural chemical under any federal, provincial or municipal laws or by-laws now or hereafter in force;
 - (iii) "release" includes the noun or verb form of spill, discharge, spray, inject, abandon, deposit, leak, seep, pour, emit, empty, throw, dump, place, exhaust and words of like or similar meaning.
- (b) Neither the Mortgagor, nor, to the knowledge of the Mortgagor after diligent inquiry and investigation, any other person, has ever caused or permitted any pollutant to be placed, handled, stored or disposed of on, under or at the Lands, or on, under or at adjacent lands, except as disclosed to the Mortgagee in writing.
- (c) The Mortgagor will not allow any pollutant to be placed, handled, stored or disposed of on, under or at the Lands without the prior written consent of the Mortgagee, which consent may be arbitrarily or unreasonably withheld.
- (d) In the event of a release, the Mortgagor will promptly take any and all necessary remedial action; provided, however, that the Mortgagor will not, without the Mortgagee's prior written consent, take any such remedial action nor enter into any settlement agreement, consent decree, or other compromise in respect of any related claims, proceedings, lawsuits or action commenced or threatened pursuant to any environmental, health or safety laws or in connection with any third party, if such remedial action, settlement, consent or compromise might impair the value of the Mortgagee's security hereunder. The Mortgagee's prior consent will not, however, be necessary if the release either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not possible to obtain the Mortgagee's consent prior to undertaking such action. If the Mortgagor undertakes any remedial action the Mortgagor will immediately notify the Mortgagee of any such remedial action in compliance with all applicable federal, provincial and municipal laws and by-laws, and in accordance with the orders and directives of all federal, provincial and municipal governmental authorities, to the satisfaction of the Mortgagee.
- (e) The Mortgagor agrees to defend, indemnify, and hold the Mortgagee harmless from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, legal costs as between a collector and his own client on a full indemnity basis, including those arising by reason of any of the aforesaid or an action under this indemnity) arising directly or indirectly from, out of or by reason of any release, environmental complaint, or any environmental health, fire, safety, and land use law governing the Mortgagor, its operations or the Lands. This indemnity will apply notwithstanding any negligent or other contributory conduct by or on the part of the Mortgagee or any one or more other parties or third parties and will survive the payment of and the satisfaction of this mortgage.

9 COVENANTS UNDER THE LAND TITLES ACT

- (a) The Mortgagor has a good title to the Lands;
- (b) The Mortgagor has the right to mortgage the Lands;
- (c) On default the Mortgagee will have quiet possession of the Lands;
- (d) The Lands are free from all encumbrances except as consented to in writing by the Mortgagee;
- (e) The Mortgagor will execute such further assurances of the Lands as may be required by the Mortgagee; and
- (f) The Mortgagor has done no act to encumber the Lands except as consented to in writing by the Mortgagee.

10 DEFAULT AND ACCELERATION

The security of this mortgage will, at the option of the Mortgagee, immediately become enforceable and may be enforced without the requirement of any or any further notice from the Mortgagee to the Mortgagor, in each of the following events, each of which shall constitute an event of default:

- (a) if the Mortgagor defaults in payment or in the observance or performance of any of the Obligations, or of any obligation, covenant or liability of the Mortgagor to the Mortgagee contained herein or in another security or agreement executed and delivered by the Mortgagor to the Mortgagee, and, except as otherwise expressly provided, such default continues for more than seven days following written notice from the Mortgagee to pay or to otherwise remedy the same;
- (b) if any warranty, representation or statement made or furnished to the Mortgagee by or on behalf of the Mortgagor in respect of the Lands or the Mortgagor proves to have been false or misleading in any material respect when made or furnished;

- (c) If the Lands are capable of generating income and there is loss or damage to the Lands or any part thereof which materially adversely affects its income-generating ability thereof in the reasonable opinion of the Mortgagee, and such loss or damage cannot be repaired or replaced so as to re-establish the income-generating ability of the Lands within a reasonable time and in any case within 90 days following such loss or damage;
- (d) if there is a seizure or attachment to or on the Lands;
- (e) if any charge or encumbrance created or issued by the Mortgagor affecting the Lands becomes enforceable and any step is taken to enforce the same;
- (f) if an order is made, an effective resolution passed or a petition is filed for the winding up of the Mortgagor, or a receiver of the Mortgagor or the Lands is appointed;
- (g) if the Mortgagor becomes insolvent, makes a general assignment for the benefit of its creditors or otherwise acknowledges insolvency, or a bankruptcy petition or receiving order is filed or made against the Mortgagor;
- (h) if the Mortgagor ceases or threatens to cease to carry on its business, makes a bulk sale of its assets or commits or threatens to commit any act of bankruptcy;
- (i) if any other mortgagee, encumbrance or other party having a charge on the Lands commences proceedings to enforce its rights or security in such mortgage, encumbrance or charge or takes steps to collect all or any of the income generated from the Lands, or any part thereof;
- (j) if the Mortgagor grants or attempts to grant any form of security to any person other than the Mortgagee ranking or purporting to rank in priority to or equally with the security held by the Mortgagee on the Lands;
- (k) if the Mortgagor abandons the Lands or any part thereof;
- (l) if the Mortgagor operates a business on the Lands and fails to maintain and operate such business as a going concern in a prudent and businesslike manner to the reasonable satisfaction of the Mortgagee; or
- (m) if for any other reason the Mortgagee determines that its security under this mortgage is in jeopardy.

11 POWER OF ATTORNEY

Upon the occurrence of an event of default pursuant to paragraph 10, the following power of attorney will take effect: the Mortgagor hereby irrevocably appoints the Mortgagee, or such person or corporation as may be designated by the Mortgagee, as attorney on behalf of the Mortgagor to sell, lease, mortgage or otherwise dispose of or encumber the Lands or any part thereof, and to execute all instruments and do all acts, matters and things that may be necessary or convenient for carrying out the powers hereby given and for the recovery of all sums of money owing for or in respect of the Lands or any part thereof, and for the enforcement of all contracts and covenants in respect of the Lands or any part thereof, and for the taking and maintaining of possession of and the protection and preservation of the Lands or any part thereof.

12 RIGHT TO SEIZE

If the Mortgagor defaults in performing or fulfilling any of the covenants set forth in this mortgage it will be lawful for, and the Mortgagor hereby grants full power and license to, the Mortgagee to enter, seize and distrain upon the Lands or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of a demise of the Lands as much of the principal and interest and other monies as is from time to time in arrears, together with all costs, charges and expenses attending such levy or distress as in like cases of distress for rent.

13 APPOINTMENT OF RECEIVER OR RECEIVER-MANAGER

- (a) At any time when there is default under any of the provisions of this mortgage the Mortgagee may, with or without entering into possession of the Lands or any part thereof, appoint in writing a receiver or a receiver-manager (the "Receiver") of the Lands or any part thereof and of the rents and revenues therefrom with or without security. The Mortgagee may from time to time by similar writing remove any Receiver and appoint another in its place. In making any such appointment or removal the Mortgagee will be deemed to be acting as agent or attorney for the Mortgagor. The statutory declaration of an officer of the Mortgagee as to the existence of such default will be conclusive evidence of such default. Every Receiver will be the irrevocable assignee or attorney of the Mortgagor for the collection of all rents falling due in respect of the Lands or any part of them. Every Receiver may, in the discretion of the Mortgagee and by writing under its corporate seal, be vested with all or any powers and discretions of the Mortgagee. The Mortgagee may from time to time fix the remuneration of every Receiver, who will be entitled to deduct the same from the income or proceeds of sale of the Lands. Every Receiver will, as far as concerns responsibility for his acts or omissions, be deemed the agent or attorney of the Mortgagor and in no event the agent of the Mortgagee. The appointment of every Receiver by the Mortgagee will not incur or create any liability on the part of the Mortgagee to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of any Receiver or the termination of any receivership will not have the effect of constituting the Mortgagee a mortgagee in possession of the Lands or any part of them. Every Receiver will from time to time have the power to rent any portion of the Lands which may become vacant for such term and subject to such provisions as it may deem advisable or expedient and in so doing every Receiver will act as the attorney or agent of the Mortgagor and will have the authority to execute under the Mortgagor's seal any lease of any such premises in the name of and on behalf of the Mortgagor. The Mortgagor undertakes to ratify and confirm whatever any Receiver may do in respect of the Lands. Every Receiver will have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Mortgagor for all purposes including securing the payment of rental for the Lands or any part of them. In exercising such powers, the Receiver will have all incidental powers, including the power to borrow such funds as may be required in connection therewith. No Receiver will be liable to the Mortgagor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof. Out of such cash so received every Receiver will in the following order pay:
 - (i) its remuneration,
 - (ii) all payments made or incurred by it in connection with the management, operation, amendment, repair, alteration or extension of the Lands or any part of them, and

(iii) interest, principal and other money which may from time to time be charged upon the Lands in priority to this mortgage, and all taxes, insurance premiums and every other expenditure made or incurred by it in respect of the Lands or any part of them.

(b) Notwithstanding the provisions of subparagraph (a) above, the Mortgagee, in addition to the right of private appointment contained therein, will have the right to apply to a court of competent jurisdiction for the appointment of a receiver or a receiver-manager, whether such application is made prior to or after the appointment of a receiver pursuant to subparagraph (a). The right to apply to a court for the appointment of a receiver or receiver-manager will be in addition to the right to appoint a receiver pursuant to subparagraph (a) and may be exercised at any time by the Mortgagee in its sole discretion.

14. DUE ON SALE

If, without the prior written consent of the Mortgagee:

- (a) the Mortgagor sells, conveys, transfers or assigns all or any part of its interest in the Lands, or
- (b) where the Mortgagor is a corporation, there is a change in the control of such corporation;
the full amount then secured by this mortgage shall, at the option of the Mortgagee, become immediately due and payable upon notice to the Mortgagor. For the purposes of this clause:
- (c) a change of control of a corporation will be deemed to occur if:
 - (i) there is a change of control in fact of the corporation within the meaning of section 256(5.1) and related sections of the Income Tax Act (Canada), or
 - (ii) more than 10% of the issued shares of the corporation carrying voting rights in respect of the election of directors of the corporation become owned by a body corporate, person or group of persons other than that or those which own or owns the issued voting shares in the corporation as at the date of this mortgage; and
- (d) the giving or withholding of consent shall be solely within the Mortgagee's discretion and as a condition of consent the Mortgagee may require or impose such conditions as it sees fit, including but not limited to the requirement that any purchaser, transferee or assignee execute an assumption agreement in favour of the Mortgagee on such terms and conditions as the Mortgagee may require.

15. ASSIGNMENT OF RENTALS

As further security to the Mortgagee for repayment and performance of its other obligations as aforesaid, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee all rents and other revenues from the Lands now or hereafter due or to become due, provided that:

- (a) the Mortgagor will be entitled to receive and recover such rent and other revenues until default under this mortgage;
- (b) if the Mortgagor defaults, all monies received by the Mortgagor in respect of the Lands after the default will be received by the Mortgagee in trust for the Mortgagee. Immediately after receiving such monies the Mortgagee will pay them to the Mortgagee;
- (c) the Mortgagee will have no obligation to collect any such rents or other revenues at any time and will be liable only for monies actually received;
- (d) nothing contained in this clause nor the exercise by the Mortgagee of any rights or remedies arising herefrom will place or be deemed to place the Mortgagee in possession of the Lands;
- (e) neither this assignment, nor the collection of rents pursuant to it, will be construed as a recognition or acceptance of any lease with respect to the Lands or any part thereof;
- (f) the Mortgagor will not accept any rents in excess of one monthly instalment in advance;
- (g) whenever requested by the Mortgagee the Mortgagor will assign to the Mortgagee its interest in each specific lease of the Lands or any part thereof and will execute such further specific or general assignments as may be requested by the Mortgagee from time to time; and
- (h) the Mortgagee or its agents may, but will not be obligated to, register this assignment at such registry offices as the Mortgagee in its discretion deems appropriate.

16. CONDOMINIUM

If the Lands are or hereafter become subject to a condominium plan duly created pursuant to the provisions of the *Condominium Property Act* (Alberta) (which, as amended from time to time, together with any legislation substituted therefor is herein collectively called "the Act"), then:

- (a) the Mortgagor fully and absolutely assigns, transfers and sets over to the Mortgagee all of the Mortgagor's voting rights now existing or which may hereafter come into existence with respect to the Lands and with respect to the Condominium Corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium unit or units being charged by this mortgage (the "Condominium Corporation"), whether such voting rights arise under the Act, under the By-laws of the Condominium Corporation, under any agreement with the Condominium Corporation, or otherwise howsoever. The Mortgagor will execute any documentation which in the sole opinion of the Mortgagee is necessary or advisable to give full effect to the foregoing. Provided however, that if the Mortgagee is not present in person or by proxy, or, if present, does not wish to vote, then the Mortgagor may without further authority exercise all voting rights other than the right to vote on any matter requiring a unanimous resolution. Provided further that the Mortgagee may, by written notice to the Mortgagor, terminate all voting rights and privileges of the Mortgagor;

- (b) notwithstanding anything to the contrary herein contained:
- (i) the Mortgagor will observe and perform every covenant and provision required to be performed under or pursuant to the terms of this mortgage, the Act, the By laws of the Condominium Corporation in effect from time to time, and under any agreement between the Mortgagor and the Condominium Corporation; and
 - (ii) without limiting the generality of the preceding subparagraph, the Mortgagor will pay promptly when due all assessments, instalments or payments owing by it to the Condominium Corporation; and
- (c) where the Mortgagor defaults in the Mortgagor's obligations to contribute to the common expenses assessed or levied by the Condominium Corporation or any authorized agent on its behalf, or any assessment, instalment or payment owing to the Condominium Corporation, or upon breach of any covenant or provision contained in this section, then regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor may pay such contribution owing to the Condominium Corporation or rectify any such default or breach by the Mortgagor.

17. SUBROGATION

The Mortgagee may pay off any charges or encumbrances against the Lands and in such cases will be subrogated to the rights of, stand in the position of, and be entitled to all the equities of the person so paid off, whether the same are or are not discharged.

18. PRIOR CHARGE

If the Mortgagor defaults in the performance of any covenants, payments or conditions contained in any mortgage, lien, agreement for sale, encumbrance, interest in land or other charge or claim upon or with respect to the Lands which has or may have or which may acquire priority to this mortgage (any and all of which are herein called the "Prior Charge") then such default will constitute a default under this mortgage and the Obligations will, at the option of the Mortgagee, become immediately due and payable without notice or demand. The Mortgagee will be entitled but not obligated to pay any arrears or other sums payable under the Prior Charge, or to pay off all or any portion of the amount thereby secured. For the purposes of tendering any arrears or other sums payable to a holder of a Prior Charge, the Mortgagor hereby irrevocably appoints the Mortgagee its agent and irrevocably directs the Mortgagee to tender such monies upon the holder of a Prior Charge in the name of and on behalf of the Mortgagor. In this regard the Mortgagor hereby assigns to the Mortgagee its equity of redemption, if any, with respect to the Prior Charge, together with the statutory right of redemption given to the Mortgagor by the provisions of *The Law of Property Act* (Alberta), as in force and amended from time to time. It is the intention of the parties that the Mortgagee will have the same rights and powers, but not the liabilities, as the Mortgagor under and pursuant to the terms of the Prior Charge so that the Mortgagee will be in a position to take whatever steps are necessary to bring the Prior Charge into good standing once default has occurred thereunder. This assignment is not intended to encompass the Mortgagor's entire interest in the Prior Charge, but only to the extent hereinbefore stipulated. Furthermore, nothing herein contained will create any obligation upon the Mortgagee to cure any default on behalf of the Mortgagor.

19. PARTIAL RELEASE

The Mortgagee may release any part of the Lands at any time at its discretion, or may release any person from this mortgage or from any of the covenants herein contained or contained in any collateral security, either with or without any consideration therefor, without responsibility therefor and without releasing any other part of the Lands, any other person or any collateral security.

20. MORTGAGEE IN POSSESSION

If the Mortgagee exercises any of its rights hereunder, or goes into possession of the Lands or any part thereof for any purpose under the powers conferred upon it by this mortgage or by law, it will not be deemed to be a mortgagee in possession nor responsible in any way for anything other than monies actually received by it.

21. APPROPRIATION OF PAYMENTS

- (a) This mortgage is intended as collateral security to secure the Obligations and any other amounts owing under and secured hereby in accordance with the terms hereof, and will secure any ultimate balance owing. No payment by the Mortgagor will reduce the amount secured by this mortgage unless:
- (i) the Mortgagee so agrees in writing; or
 - (ii) the Mortgagor's obligations to the Mortgagee do not exceed the principal sum secured as set forth in paragraph 2 of this mortgage, the Mortgagee has no obligation to advance further funds to the Mortgagor or for which the Mortgagor would be liable, and the Mortgagor advises the Mortgagee in writing that the amount paid will reduce the principal sum secured by this mortgage.
- (b) Subject to clause (c) below, any amount received by the Mortgagee which reduces the gross amount secured by this mortgage will be applied in whatever manner the Mortgagee thinks fit as between principal, interest or other monies secured by this mortgage.
- (c) If, prior to the Mortgagee requiring payment from the Mortgagor under the Obligations, the Mortgagee receives:
- (i) a payment from the Mortgagor which reduces the amount secured hereunder;
 - (ii) insurance proceeds which are not applied to rebuild, reinstate or repair the Lands or released to the Mortgagor; or
 - (iii) any monies as a result of a demand upon or realizing upon the security of this mortgage and which reduces the amount secured by this mortgage;

the Mortgagee will retain the amount received (after deduction of any appropriate costs and expenses in accordance with this mortgage) in a collateral account in substitution for this mortgage to the extent of the amount so retained, and such amount will constitute collateral security to the Mortgagee for the Obligations of the Mortgagor.

22. EXPROPRIATION AND CONDEMNATION

- (a) Notwithstanding anything to the contrary contained herein, if the Mortgagee receives a notice of intention to expropriate (as referred to in the *Expropriation Act* (Alberta)) the Lands or the estate or interest of the Mortgagee in the Lands, or the Lands are condemned by any authority having jurisdiction in that regard, then the Obligations will at the option of the Mortgagee automatically become due in full on demand by the Mortgagee.
- (b) The damages, proceeds, consideration and award, whether awarded by the Land Compensation Board, the Surface Rights Board, a court or otherwise, resulting from any expropriation are, to the extent of the full amount of the monies and obligations secured by this mortgage and remaining unpaid on the date of such expropriation, hereby assigned by the Mortgagor to the Mortgagee and will be paid immediately to the Mortgagee.
- (c) The Mortgagor acknowledges that it is aware of the provisions of Sections 49 and 52 of the *Expropriation Act* (Alberta), and any amendments thereto, and hereby waives the benefit of such provisions or any legislation similar thereto or in replacement thereof. The Mortgagor covenants to pay to the Mortgagee the difference between the amount secured under this mortgage and the monies paid by the expropriating authority to the Mortgagee, together with interest thereon at the Interest Rate both before and after maturity, default, acceleration and the obtaining of any judgment by the Mortgagee.

23. GENERAL CLAUSES

- (a) Any notice required or permitted to be given to the Mortgagor in connection with this mortgage may be delivered or mailed to it by registered mail addressed to it at its last address as shown on the records of the Mortgagee. Such notice will be conclusively deemed to have been received on the date of delivery or three business days after the date of mailing. No want of notice or publication when required by this mortgage or by any statute, nor any impropriety or irregularity, will invalidate any sale made or purported to be made under this mortgage.
- (b) No waiver by the Mortgagee of the performance of any covenant, proviso, condition or agreement herein contained will take effect or be binding on the Mortgagee unless the same is expressed in writing by the Mortgagee or its duly authorized agent. Such waiver will not nullify such covenant, proviso, condition or agreement, affect its future enforcement or be a waiver of any subsequent breach of the same.
- (c) A default in the due observance or performance by the Mortgagor of any of its covenants contained in the Obligations or in any promissory notes, agreements, or other securities which may now or at any time be held or taken by the Mortgagee in respect of the Obligations will, in addition to its usual effect, have the same effect and give rise to the same rights and remedies as a default under the terms of this mortgage. If the Mortgagee becomes entitled to take legal proceedings of any nature whatsoever against the Mortgagor in respect of this mortgage or in respect of the Obligations or any of the said promissory notes, agreements or other securities, the Mortgagee may either concurrently with such suit, successively or otherwise, pursue any or all of its other remedies. If the Mortgagee pursues one or other of the said remedies this will not constitute an election by the Mortgagee to abandon any of the other remedies.
- (d) The lien and charge hereby created will take effect immediately on the execution of this mortgage, and will secure the full amounts referenced in paragraph 2 hereof.
- (e) If the Mortgagor is a body corporate it will maintain its separate corporate existence and do all such things as are required in order to permit it to carry on its business.
- (f) If the Mortgagor operates a business on the lands or otherwise derives revenue therefrom the Mortgagor will:
 - (i) maintain proper records and books of account with respect to the operation of its business on the Lands and the income and expenses related thereto. The Mortgagor will allow the Mortgagee's representatives at all reasonable times to inspect all such records and books of account as such representatives may deem necessary; and
 - (ii) provide to the Mortgagee such information, financial or otherwise, as to the business and affairs of the Mortgagor, in relation to the Mortgagor being able to observe and perform its obligations to the Mortgagee under this mortgage, as the Mortgagee may from time to time request.
- (g) The Mortgagor will fulfill or comply with such additional terms, conditions and covenants, if any, as are contained on Schedule "B" to this mortgage.

24. INTERPRETATION

- (a) If the context so requires, wherever the neuter is used it will include the feminine and masculine, and wherever the singular is used it will include the plural.
- (b) If there is more than one Mortgagor then all covenants and stipulations herein contained or implied will apply to and be binding upon all the Mortgagors jointly and severally; provided always, and it is expressly agreed, that all covenants, provisos, powers, privileges and licenses herein expressed or implied will be binding upon and entire to the benefit of the respective legal personal representatives, successors and assigns of the parties.
- (c) The provisions contained in any schedules to this mortgage are incorporated by reference and form a part of this mortgage as fully as if set out in the body of this mortgage. The covenants and obligations of the Mortgagor and the rights and remedies of the Mortgagee contained in this mortgage are in addition to those granted or implied by statute or otherwise imposed or granted by law.
- (d) If any provision of this mortgage is held to be invalid or unenforceable by a Court of competent jurisdiction it will be deemed to have been deleted from the mortgage and the remaining provisions of this mortgage will continue in full force and effect and be enforceable to the greatest extent permitted by law.
- (e) The headings contained in this mortgage are inserted for ease of reference only and will not be construed so as to limit or restrict the obligations of the Mortgagor or the rights and remedies of the Mortgagee herein.
- (f) Neither the execution nor registration of this mortgage or any additional or other security or documentation will act as a merger of or otherwise affect the enforceability of the Obligations. All agreements and securities now or hereafter

entered into by the Mortgagor with or in favour of the Mortgagee, whether related to the within transaction or otherwise, will be in addition to and not in substitution for any agreements or securities previously granted, unless expressly provided to the contrary therein.

25. CHARGE

For better securing to the Mortgagee the repayment in the manner aforesaid of the said principal sum and interest and other charges and monies hereby secured, and for the due performance by the Mortgagor of all of the covenants, provisos and conditions herein expressed or implied, the Mortgagor hereby mortgages to the Mortgagee all its estate and interest in the Lands.

26. DISCHARGE

The Mortgagee will have a reasonable time to provide the Mortgagor with a registrable discharge of this mortgage, upon the Mortgagor becoming entitled to such discharge. All costs related to such discharge will be borne by the Mortgagor to the extent permitted by law.

IN WITNESS WHEREOF the Mortgagor has executed this mortgage on the 22 day of October, 2014.

SIGNED AND DELIVERED
by the Mortgagor in the presence of:

Witness: _____

1847845 ALBERTA LTD.

Per: _____

Per: _____

(c/s)

AFFIDAVIT OF EXECUTION

I, _____ of Calgary, in the Province of Alberta, MAKE OATH AND SAY:

1. That I was personally present and did see _____ who is/are known to me be the person(s) named in the within (or annexed) instrument, duly sign the instrument;

or

I was personally present and did see _____ who, on the basis of the identification provided to me, I believe to be the person(s) named in the within (or annexed) instrument, duly sign the instrument;

2. That the same was executed in Calgary, in the Province of Alberta, and that I am the subscribing witness thereto.
3. That I know the said person(s) named in paragraph 1 and he/she is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta this _____ of October, 2014.

A Commissioner for Oaths in and for the Province of Alberta
(Print or Stamp Name Next to Signature)
My Commission Expires _____

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

I, _____ of Calgary, in the Province of Alberta, MAKE OATH AND SAY:

1. I am an officer or a director of 1847845 ALBERTA LTD. (the "Corporation") named in the within or annexed instrument.
2. I am authorized by the Corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this _____ of October, 2014.

A Commissioner for Oaths in and for the Province of Alberta
(Print or Stamp Name Next to Signature)
My Commission Expires _____

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

I, _____ of Calgary, in the Province of Alberta, MAKE OATH AND SAY:

1. I am an officer or a director of 1847845 ALBERTA LTD. (the "Corporation") named in the within or annexed instrument.
2. I am authorized by the Corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this _____ of October, 2014.

A Commissioner for Oaths in and for the Province of Alberta
(Print or Stamp Name Next to Signature)
My Commission Expires _____

This is **Exhibit "T"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK

0697818

My Commission Expires
December 29, 2021

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT made as of the 22nd day of October, 2014.

BETWEEN:

1847845 ALBERTA LTD. (the "Borrower"),
of 4904 45 Street, Rocky Mountain House, AB T4T 1P2

and

ALBERTA TREASURY BRANCHES ("ATB"),
of 239 - 8th Avenue SW, Calgary, Alberta T2P 1B9

RECITAL:

- A. As continuing security for the payment and performance of all debts, liabilities and obligations of the Borrower to ATB howsoever arising (present and future, absolute and contingent, direct and indirect) (the "Indebtedness") and for value received, the receipt and sufficiency of which the Borrower acknowledges, the Borrower has agreed to assign to ATB all leases, licenses, tenancy agreements or rights of use or occupation of every kind in respect of the lands described in Schedule "A" hereto (the "Premises") or any part thereof (which, as may be amended, extended, renewed or replaced from time to time are herein individually called a "Lease" and collectively the "Leases") and all rents and other payments now or hereafter due under the Leases (the "Rents");

AGREEMENT:

The Borrower agrees with ATB as follows:

1. The Borrower assigns to ATB:
 - (a) all Leases;
 - (b) all Rents;
 - (c) the benefit of all guarantees of the Leases; and
 - (d) the benefit of all covenants by all tenants, lessors, users, occupants and licencees of the Premises (collectively called the "Lessees");with full power and authority to demand, collect, sue for, distrain for, recover, receive and give receipts for the Rents, to enforce payment thereof and to enforce performance of all the Leases in the name of and as agent for the Borrower.
2. All Rents shall be recoverable as rent in arrears. Wherever ATB is entitled to levy distress against the goods and personal property of any of the Lessees or to re-enter the premises described in any Lease, ATB may use such force as it sees fit without being liable to any action in respect thereof or for any loss or damage occasioned thereby. The Borrower releases ATB from all actions, proceedings, claims or demands in respect of any such forceable entry or any loss or damage sustained by the Borrower in respect thereof.
3. Notwithstanding any variation of the terms of any agreement or arrangement with the Borrower or any extension of time for payment or any release of part or parts of the Premises, or of any collateral security, this Assignment shall continue as security until the Indebtedness and all terms of any agreement or agreements between the Borrower and ATB in respect of the Indebtedness are fully paid and satisfied.
4. Although this is a present Assignment, ATB shall not exercise its rights hereunder until ATB determines that default has been made in payment of the Indebtedness, or any part thereof, or in the performance of any term contained in any agreement between ATB and the Borrower in respect of the Indebtedness.
5. ATB may waive any default and shall not be bound to serve any notice on any Lessees on the happening of any default. No waiver shall extend to any subsequent default.
6. ATB is not responsible for collecting any Rents or performing any terms under any Lease. ATB shall not be a mortgagee in possession of the Premises by virtue of this Assignment or by virtue of anything done or omitted to be done by ATB in respect of this Assignment. ATB is not under any obligation to take any action or exercise any remedy in the collection or recovery of any Rents or to see to or enforce the performance of any terms of any Lease.
7. ATB shall only be liable to account for moneys which actually come into its hands by virtue of this Assignment, after deduction of all collection charges, inspection fees and other expenses (including legal fees as between a solicitor and his own client on a full indemnity basis) to which ATB may be put in respect of this Assignment and all moneys received by ATB shall be applied on account of any such part of the Indebtedness.

8. The Borrower shall not, without the consent in writing of ATB:
- (a) assign, pledge or hypothecate the whole or any part of any Leases or Rents other than to ATB;
 - (b) do or permit or omit to do or permit any act to be done which either directly or indirectly has the effect of waiving, releasing, reducing or abating any rights or remedies of the Borrower or obligations of any other party under or in respect of any Lease;
 - (c) terminate, except a surrender of or amend in any manner any Lease other than month to month tenancies; or
 - (d) receive or permit the prepayment of any Rent for more than two months in advance.
9. The Borrower will from time to time on demand furnish to ATB a current list of all Leases in such detail as ATB requires.
10. The Borrower shall execute such further documents as are required by ATB from time to time to perfect this Assignment.
11. This Assignment is taken by way of additional security only. Neither the taking of this Assignment nor anything done in respect of this Assignment shall in any way prejudice or limit the rights of ATB or the obligations of the Borrower under any agreement between the Borrower and ATB or any collateral security thereto.
12. The Borrower will at the request of ATB from time to time give any of the Lessees notice of this Assignment and will obtain from those Lessees acknowledgement of such notice. The notice and acknowledgement shall be in the form required by ATB and such notice (or any notice of this Assignment given by ATB) shall be effective and binding on each Lessee upon ATB giving the Lessee notice that the Borrower has defaulted under the terms of any agreement between ATB and the Borrower, whether or not there has actually been a default under such agreement.
13. The rights and remedies given to ATB hereunder are in addition to and not in substitution for and shall not in any way derogate from or delay or prejudice any rights or remedies to which ATB may be entitled under or in respect of any other agreement between the Borrower and ATB.
14. The Borrower warrants and represents to ATB that:
- (a) none of the Leases or the Borrower's rights thereunder, including the right to receive the Rents, has been or will be amended, sublet, assigned, encumbered, discounted, anticipated, waived, reduced, released or abated without the prior written consent of ATB;
 - (b) none of the Rents has been or will be paid prior to the due date for payment thereof other than as permitted by paragraph 8(d) hereof;
 - (c) there has been no default under any Lease by any of the parties thereto;
 - (d) there is no outstanding dispute under any Lease between the Borrower and any of the Lessees;
 - (e) the Borrower has performed and will perform all of its obligations under each Lease;
 - (f) each Lease at the date hereof is valid, enforceable and in full force and effect;
 - (g) the Borrower now has good right, full power and absolute authority to assign its rights in accordance with this Assignment.
15. The Borrower charges the Premises to ATB to secure the due performance of this Assignment and the payment of all Rents to ATB.
16. ATB or its agent may forthwith register this Assignment at such Registry Offices as ATB sees fit. The Borrower shall not take any steps to challenge or remove any instrument or notice filed in respect of this Assignment until the Indebtedness and all terms of any agreement between the Borrower and ATB in respect of the Indebtedness are fully paid and satisfied.
17. In this Assignment, "Borrower", "Borrowers" and "ATB" include the heirs, executors, administrators, successors and assigns of the Borrower and ATB respectively; the singular number and masculine and neuter genders include the masculine, feminine and neuter genders and the plural number when the context so requires; and "term" or "terms" include conditions, covenants, agreements, stipulations, provisions and obligations. If this Assignment is executed by more than one person as Borrower, all terms herein contained are binding on all Borrowers jointly and severally.

The Borrower has executed this Assignment the day and year first above written.

1847845 ALBERTA LTD.

Per: 

Per: _____

SCHEDULE "A"

(Legal description of the Premises)

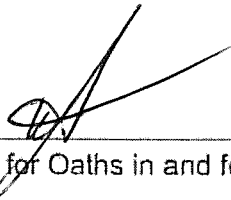
PLAN 0121120

BLOCK 33

LOT 7

**EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.753 HECTARES (1.86 ACRES) MORE OR LESS**

This is **Exhibit "U"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021



LAND TITLE CERTIFICATE

S

LINC

SHORT LEGAL

0028 786 317

0121120;33;7

TITLE NUMBER

142 363 599

LEGAL DESCRIPTION

PLAN 0121120

BLOCK 33

LOT 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 0.753 HECTARES (1.86 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE

ATS REFERENCE: S;7;39;23;NW

MUNICIPALITY: TOWN OF ROCKY MOUNTAIN HOUSE

REFERENCE NUMBER: 062 289 415

| REGISTRATION | DATE(DMY) | REGISTERED OWNER(S) DOCUMENT TYPE | VALUE | CONSIDERATION |
|--------------|------------|--------------------------------------|-------------|---------------|
| 142 363 599 | 29/10/2014 | TRANSFER OF LAND | \$7,600,000 | CASH & MORT |

OWNERS

1847845 ALBERTA LTD.
OF 4904-45 STREET
ROCKY MOUNTAIN HOUSE
ALBERTA T4T 1P2

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION

| NUMBER | DATE (D/M/Y) | PARTICULARS |
|-------------|--------------|---|
| 992 091 280 | 13/04/1999 | UTILITY RIGHT OF WAY GRANTEE - ATCO GAS AND PIPELINES LTD. 10035-105 ST EDMONTON ALBERTA T5J2V6 AS TO PART DESCRIBED " AFFECTS PART OF THIS TITLE " |

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
142 363 599

REGISTRATION
NUMBER DATE (D/M/Y) PARTICULARS

(DATA UPDATED BY: TRANSFER OF UTILITY RIGHT
OF WAY 012019518)

012 080 781 21/03/2001 CAVEAT
RE : ENCROACHMENT AGREEMENT PURSUANT TO MUNICIPAL
GOVERNMENT ACT
CAVEATOR - THE TOWN OF ROCKY MOUNTAIN HOUSE.
C/O WOOLLARD HOPKINS & COMPANY
BOX 700
ROCKY MOUNTAIN HOUSE
ALBERTA T0M1T0
AGENT - STEWART WOOLLARD

142 363 600 29/10/2014 MORTGAGE
MORTGAGEE - ALBERTA TREASURY BRANCHES.
239-8 AVE SW
CALGARY
ALBERTA T2P1B9
ORIGINAL PRINCIPAL AMOUNT: \$3,800,000

142 363 601 29/10/2014 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - ALBERTA TREASURY BRANCHES.
C/O BISHOP & MCKENZIE LLP
1700, 530 - 8 AVE SW
CALGARY
ALBERTA T2P3S8
AGENT - DEREK R ELLIOTT

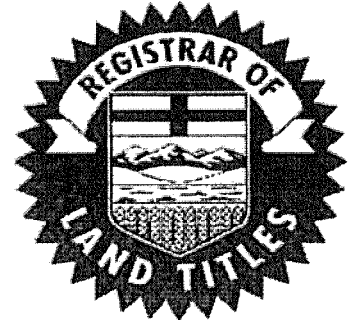
142 363 602 29/10/2014 MORTGAGE
MORTGAGEE - AGRICULTURE FINANCIAL SERVICES
CORPORATION.
4910-52 ST
CAMROSE
ALBERTA T4V2V4
ORIGINAL PRINCIPAL AMOUNT: \$760,000

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 7 DAY OF
NOVEMBER, 2019 AT 02:56 P.M.

ORDER NUMBER: 38332344

CUSTOMER FILE NUMBER: 238199.8

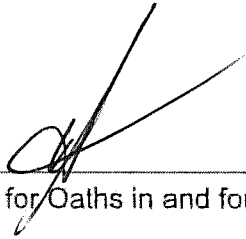


END OF CERTIFICATE

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

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

This is **Exhibit "V"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 102 STREET, SUITE 2700
EDMONTON AB T5J 4G9
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1847845 Alberta Ltd.
4904 45 Street
Rocky Mountain House, AB T4T 1P6

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Indebtedness of 1847845 Alberta Ltd. to ATB Financial

We are lawyers for ATB Financial ("ATB") in connection with the loans (the "**Loans**") made by ATB to 1847845 Alberta Ltd. (the "**Borrower**").

The Loans are described in Schedule "**A**" of this letter.

The amounts outstanding for principal and interest on the Loans as at July 3, 2019 are set out in Schedule "**B**" to this letter. Additional interest and costs continue to accrue on the Loans. Additionally, the balance of the Loans may fluctuate with payments made or debited on the loan accounts.

This letter constitutes a demand for payment of the ultimate balance owing on the Loans as at the time of payment, together with all legal costs on a solicitor and own client full indemnity basis and all other costs incurred by ATB. Please contact the undersigned or the bank to confirm the total amount owing at the time of payment.

The loans must be paid in full no later than the close of business on July 26, 2019.

Unless the amounts owing to ATB are repaid as demanded, ATB. will take steps to exercise its rights and remedies under the security which the Borrower has provided to ATB. In that regard, enclosed with this letter is a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 which is hereby being served upon the Borrower.

Yours truly,

MILLER THOMSON LLP

Per:

Stephanie A. Wanke
Partner
SAW/

c. client, via email

Schedule "A" – Credit Facilities

Facility #1: Non-Revolving, Reducing Credit Facility, Term Loan in the original amount of \$3,732,632.95.

Facility #2: Alberta BusinessCard MasterCard with a Business Credit Limit of \$50,000.

Facility #3: Costs Account



Schedule "B" – Indebtedness

As at July 3, 2019

Facility #1 Term Loan 760-25848235700

Authorized Balance: \$ 3,237,898.11

Accrued Interest: \$ 1,793.71

Subtotal: \$ 3,239,691.82

Facility #2 MasterCard 5475 XXXX XXXX 9983

Authorized Balance \$ 10,779.76

Accrued Interest \$ 549.87

Subtotal: \$ 11,329.63

Facility #3 Costs Account 760-34422092700

Outstanding Balance \$ 12,877.40

TOTAL \$ 3,263,898.85



FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1847845 Alberta Ltd., an insolvent person (the "Insolvent Person")



TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
3. The total amount of indebtedness secured by the security as at July 3, 2019 totals \$3,263,898.85, plus further interest accruing thereon.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 11th day of July, 2019.

ATB FINANCIAL

Per:

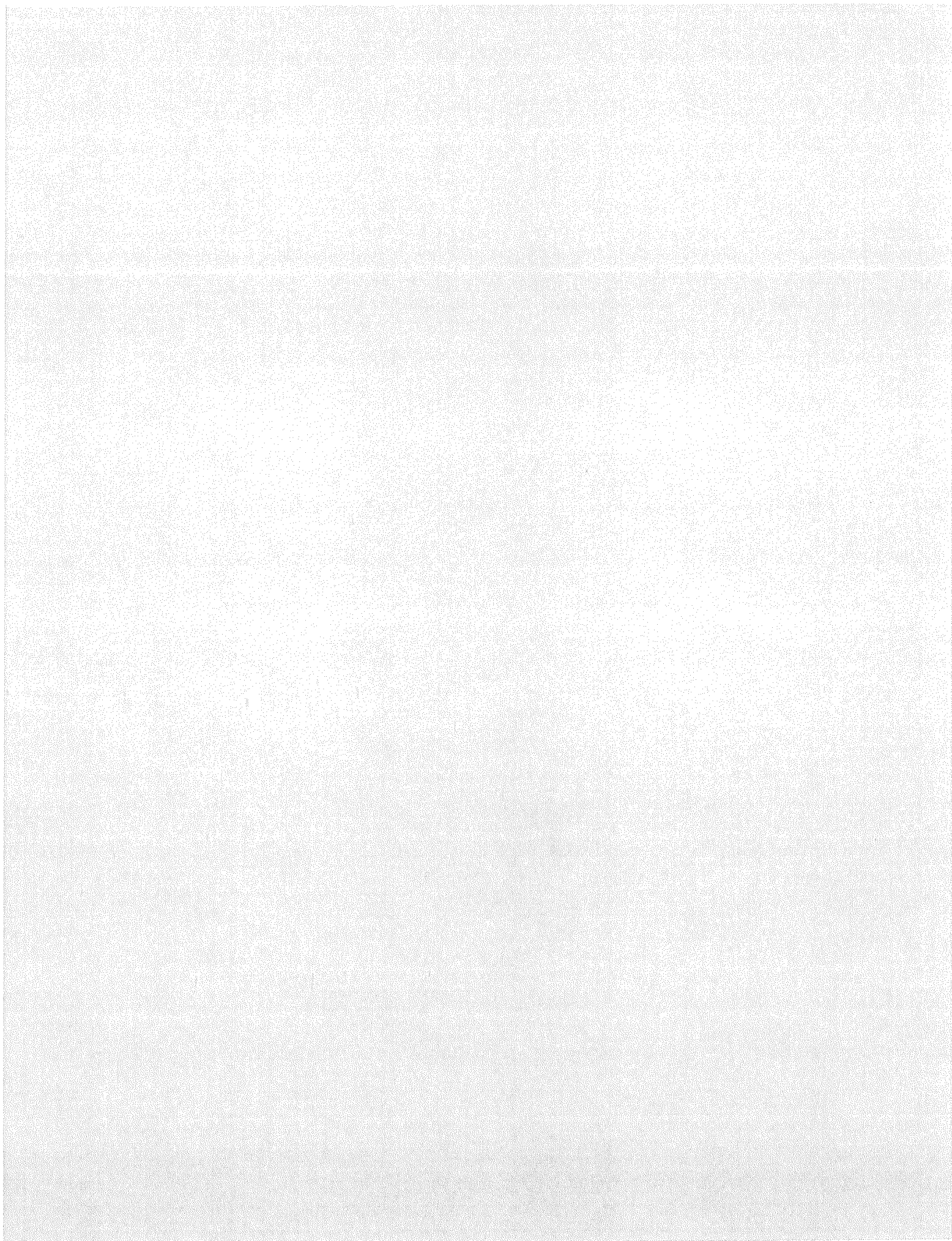

By its authorized agent and legal counsel,
 Stephanie A. Wanke
Barrister and Solicitor



SCHEDULE "A" – SECURITIES

1. General Security Agreement dated October 30, 2014







MILLER THOMSON
AVOCATS / LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 107 STREET, SUITE 2700
EDMONTON, AB T5J 4G9
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1814905 Alberta Ltd.
4904 45 Street
Rocky Mountain House, AB T4T 1P6

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

1814905 Alberta Ltd. (the "**Guarantor**") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "**Guarantee**"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

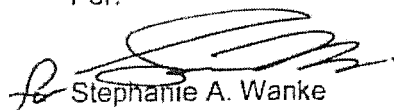
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies. In that regard, enclosed with this letter is a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 which is hereby being served upon the Guarantor.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', with a stylized flourish at the end.

Stephanie A. Wanke

Partner

SAW/

c. client, via email

A small, stylized handwritten mark or signature at the bottom left of the page.

FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1814905 Alberta Ltd., an insolvent person (the "Insolvent Person")

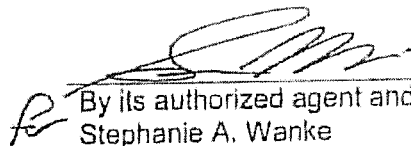
TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
3. The total amount of indebtedness secured by the security as at July 3, 2019 totals \$3,263,898.85, plus further interest accruing thereon.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 11th day of July, 2019.

ATB FINANCIAL

Per:

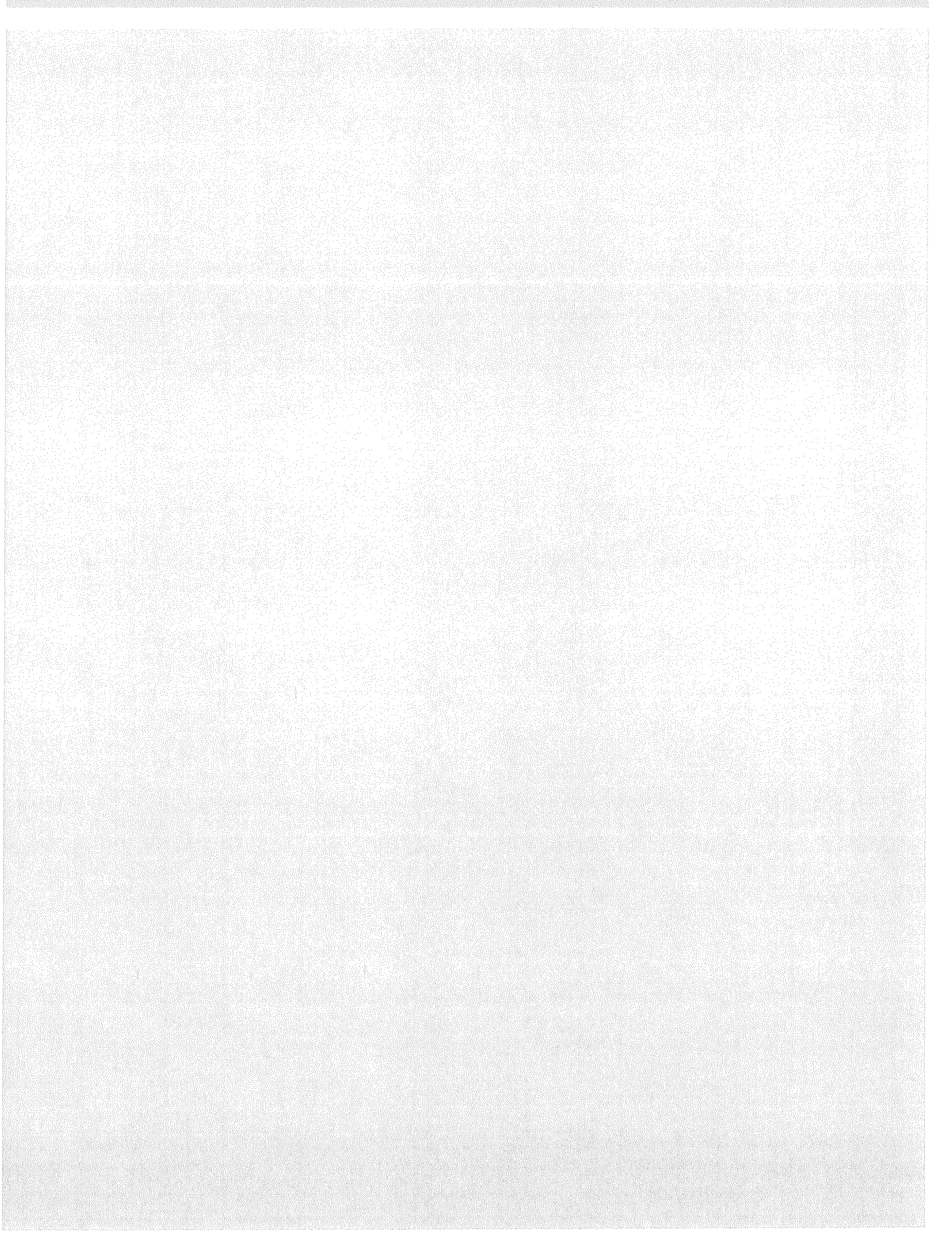

By its authorized agent and legal counsel,
Stephanie A. Wanke
Barrister and Solicitor



Schedule "A" – Securities

1. General Security Agreement dated October 30, 2014.
2. Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2014.







MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1847034 Alberta Ltd.
6 Freemont Close
Red Deer, AB T4N 4Y6

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

1847034 Alberta Ltd. (the "Guarantor") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "Guarantee"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

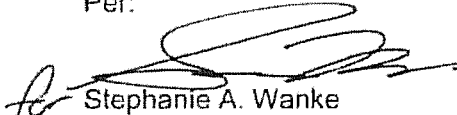
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies. In that regard, enclosed with this letter is a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 which is hereby being served upon the Guarantor.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', with a large, stylized loop at the end.

Stephanie A. Wanke

Partner

SAW/

c. client, via email



FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1847034 Alberta Ltd., an insolvent person (the "Insolvent Person")


TAKE NOTICE THAT:

- 1 ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
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Dated at Edmonton, Alberta this 11th day of July, 2019.

ATB FINANCIAL

Per:

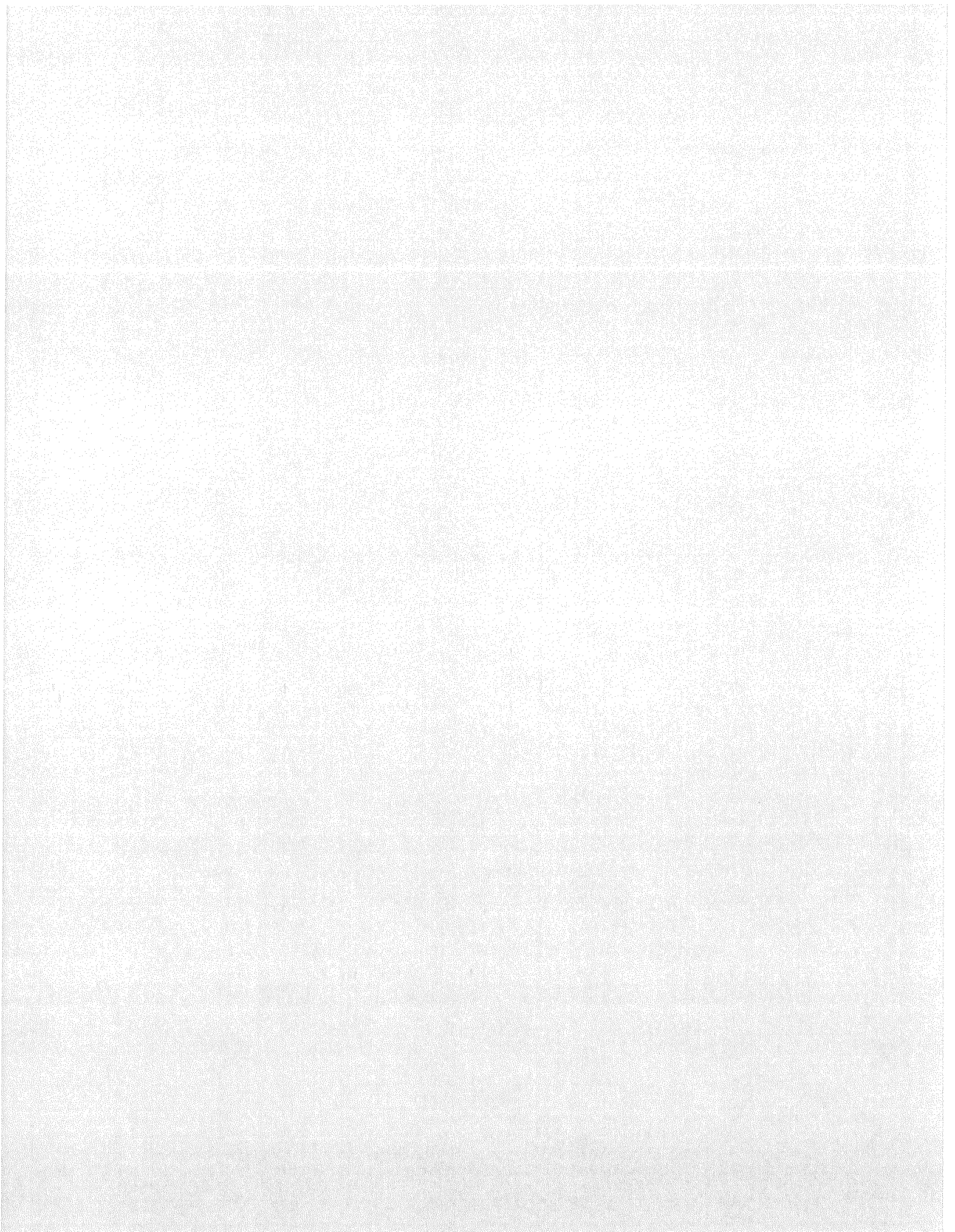

By its authorized agent and legal counsel,
for Stephanie A. Wanke
Barrister and Solicitor

✱

Schedule "A" – Securities

1. General Security Agreement dated October 30, 2014.
2. Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2014.







MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET SUITE 2100
EDMONTON AB T5J 4G8
CANADA

T 780 429 1751
F 780 424 5666

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1816668 Alberta Ltd.
29 Sherwood Lane NW
Calgary, AB T3R 0V3

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

1816668 Alberta Ltd. (the "Guarantor") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

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On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

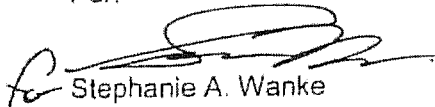
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Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', with a large, stylized initial 'S'.

Stephanie A. Wanke

Partner

SAW/

c. client, via email

A small, stylized handwritten mark or signature at the bottom left of the page.



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON AB T5J 4G8
CANADA

T 780 424 1751
F 780 424 5066

MILLERTHOMSON.COM

FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1816668 Alberta Ltd., an insolvent person (the "Insolvent Person")

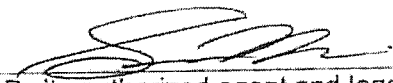
TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
3. The total amount of indebtedness secured by the security as at July 3, 2019 totals \$3,263,898.85, plus further interest accruing thereon.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 11th day of July, 2019

ATB FINANCIAL

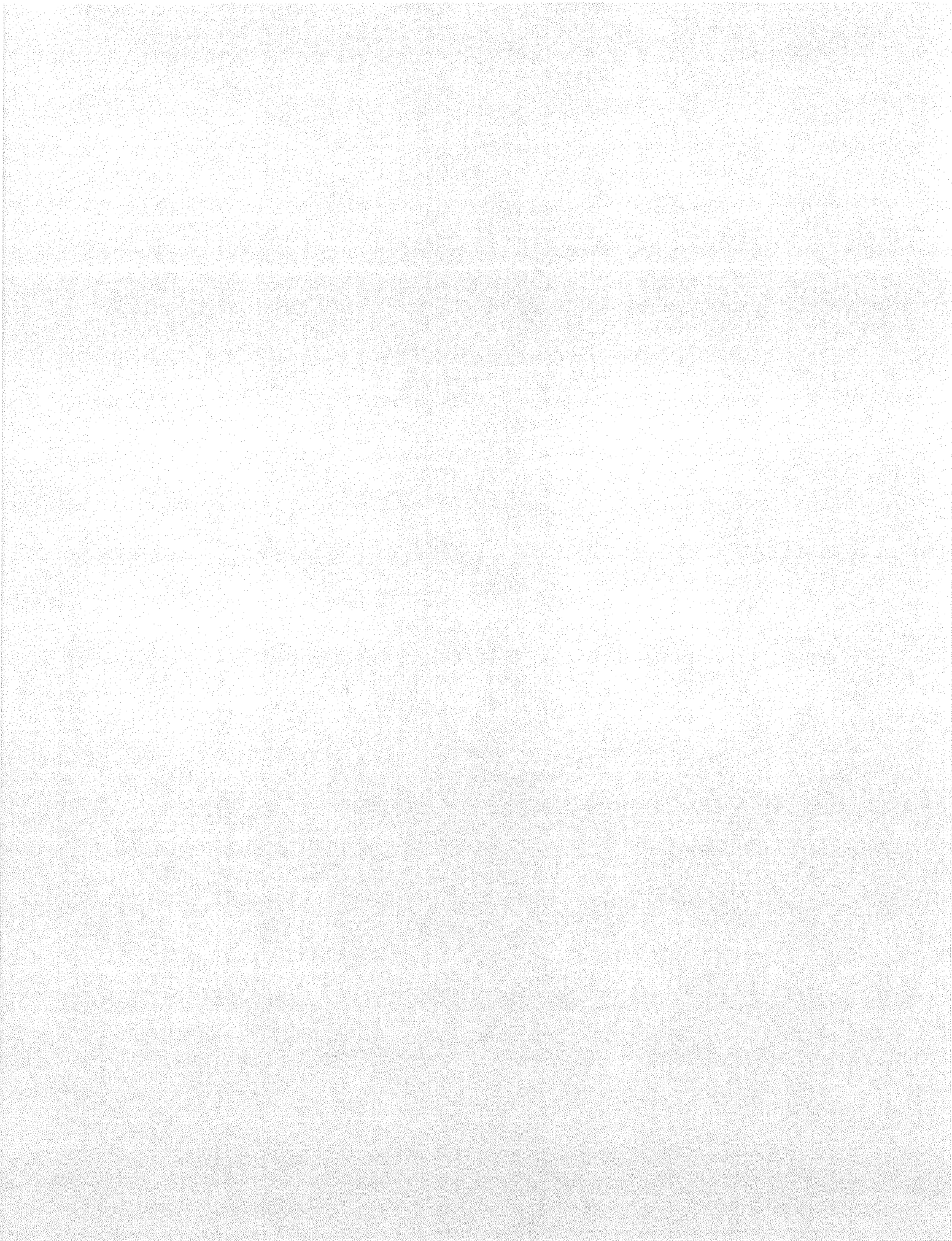
Per:


By its authorized agent and legal counsel,
Stephanie A. Wanke
Barrister and Solicitor

Schedule "A" – Securities

1. General Security Agreement dated October 30, 2014.
2. Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2014.







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T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

Heolee Enterprises Inc.
19261 - 11A Avenue
Surrey BC V4N 4R7

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 230199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "**Loans**") made by ATB to 1847845 Alberta Ltd. (the "**Borrower**").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

Heolee Enterprises Inc. (the "**Guarantor**") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "**Guarantee**"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

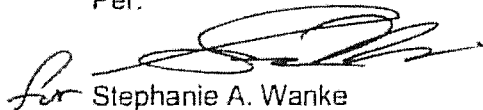
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies. In that regard, enclosed with this letter is a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 which is hereby being served upon the Guarantor.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'for Stephanie A. Wanke'. The signature is fluid and cursive, with a large loop at the end.

Stephanie A. Wanke

Partner

SAW/

c. client, via email

40661551.1



FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: Heelee Enterprises Inc., an insolvent person (the "Insolvent Person")


TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
3. The total amount of indebtedness secured by the security as at July 3, 2019 totals \$3,263,898.85, plus further interest accruing thereon.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 11th day of July, 2019.

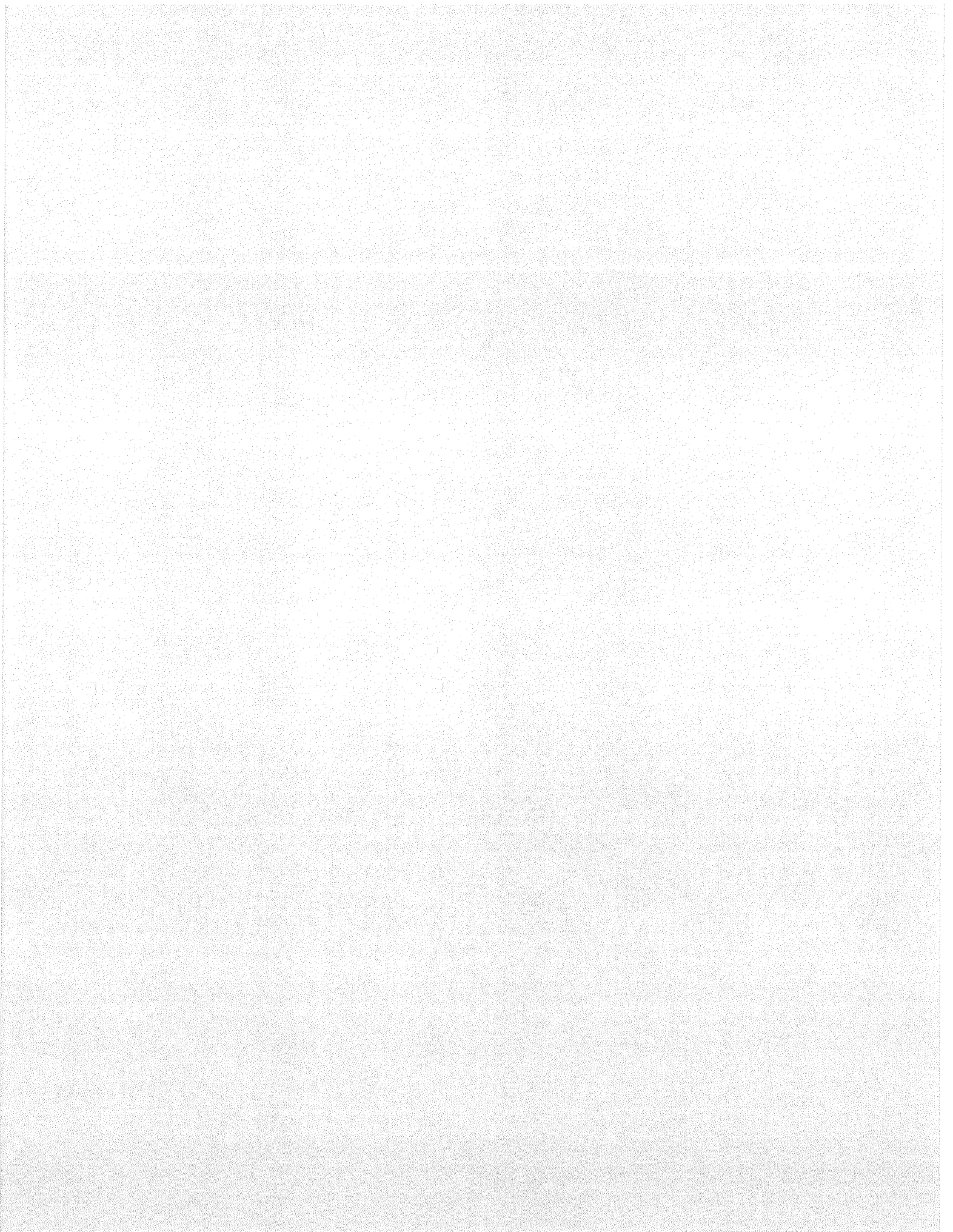
ATB FINANCIAL

Per:


for By its authorized agent and legal counsel,
Stephanie A. Wanke
Barrister and Solicitor

Schedule "A" – Securities

1. General Security Agreement dated October 30, 2014.
2. Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2014.





T 780 439 1151
F 780 434 5066

MILLERTHOMSON.COM

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

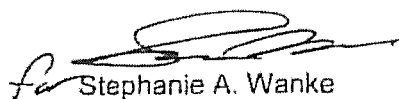
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', with a stylized flourish at the end.

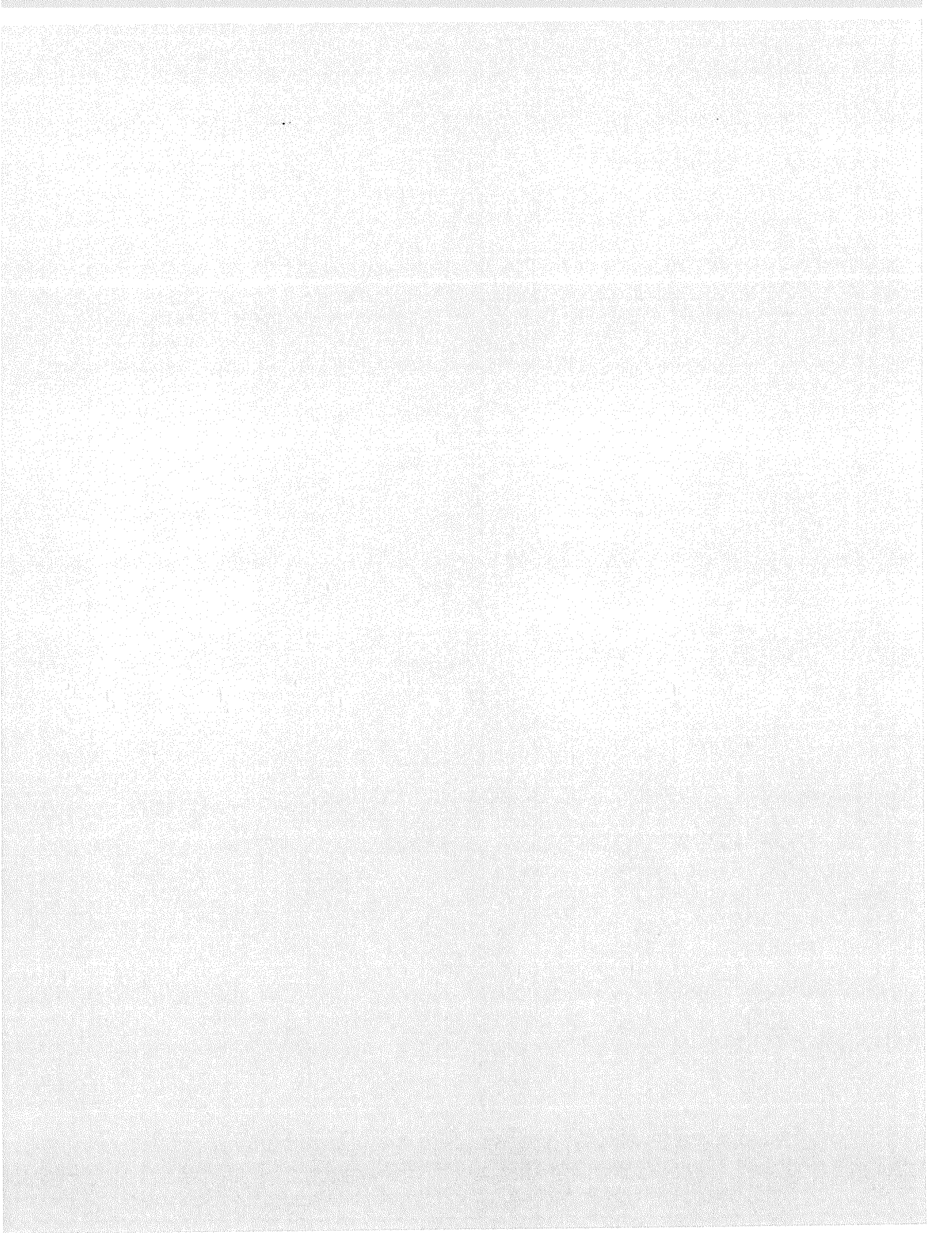
Stephanie A. Wanke

Partner

SAW/

c. client, via email







MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
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10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4S8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Wooyoung Heo
16261 111A Ave
Surrey, BC V4N 4R7

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Wooyoung Heo:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower")

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

You (the "Guarantor") have guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$962,500.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "Guarantee"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

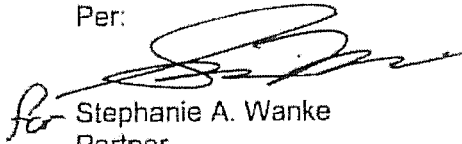
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

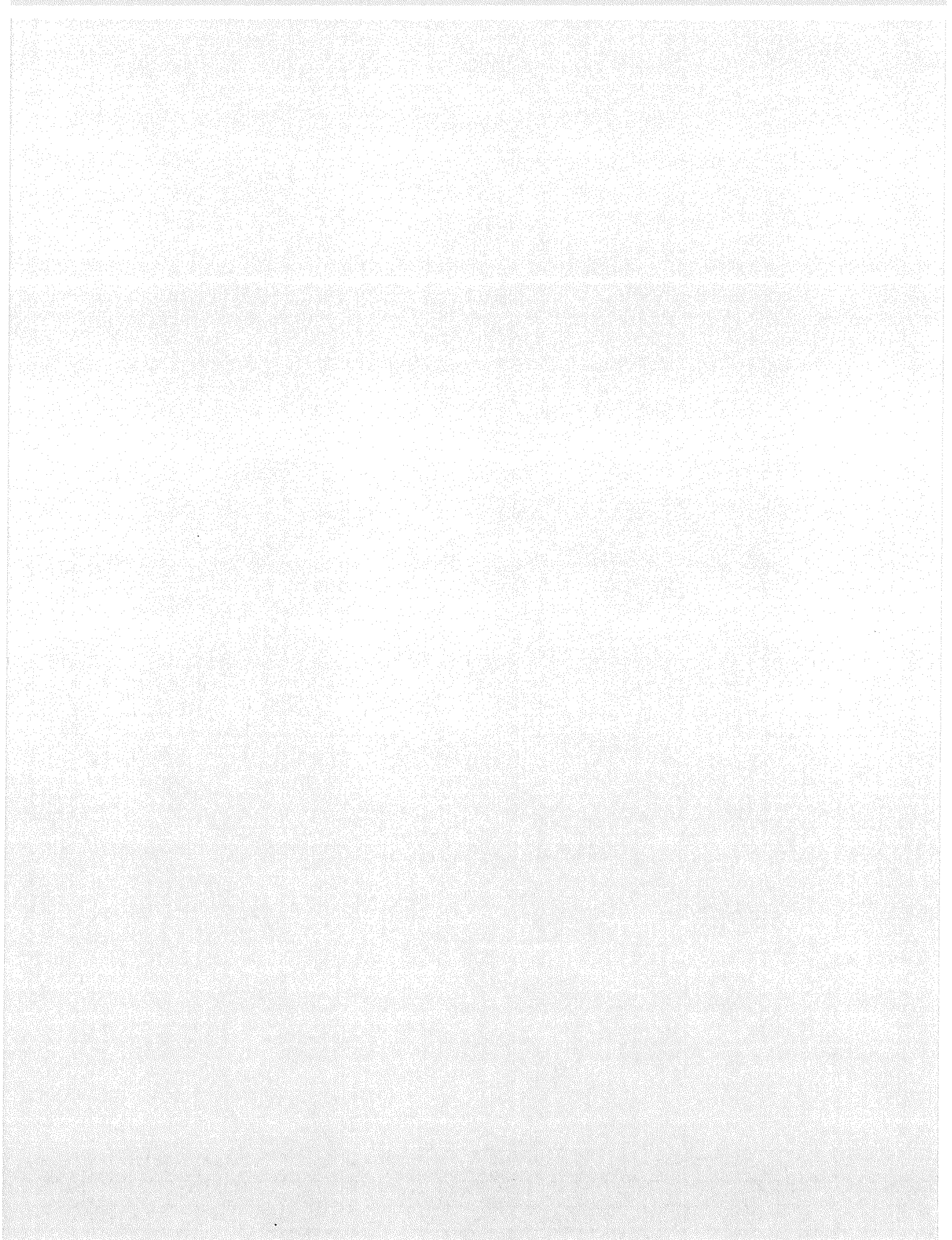
MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', is written over a horizontal line.

for Stephanie A. Wanke
Partner
SAW/
c. client, via email

A small, handwritten mark consisting of a vertical line with a horizontal line intersecting it, resembling a stylized 'K' or a checkmark.





MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 102 STREET, SUITE 3700
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CANADA

T 780.429.1751
F 780.424.5361

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Jinhee Chung
29 Sherwood Lane NW
Calgary AB T3R 0V3

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Jinhee Chung:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

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On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

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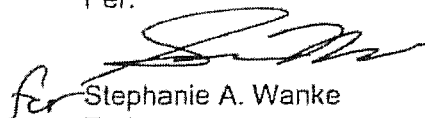
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:



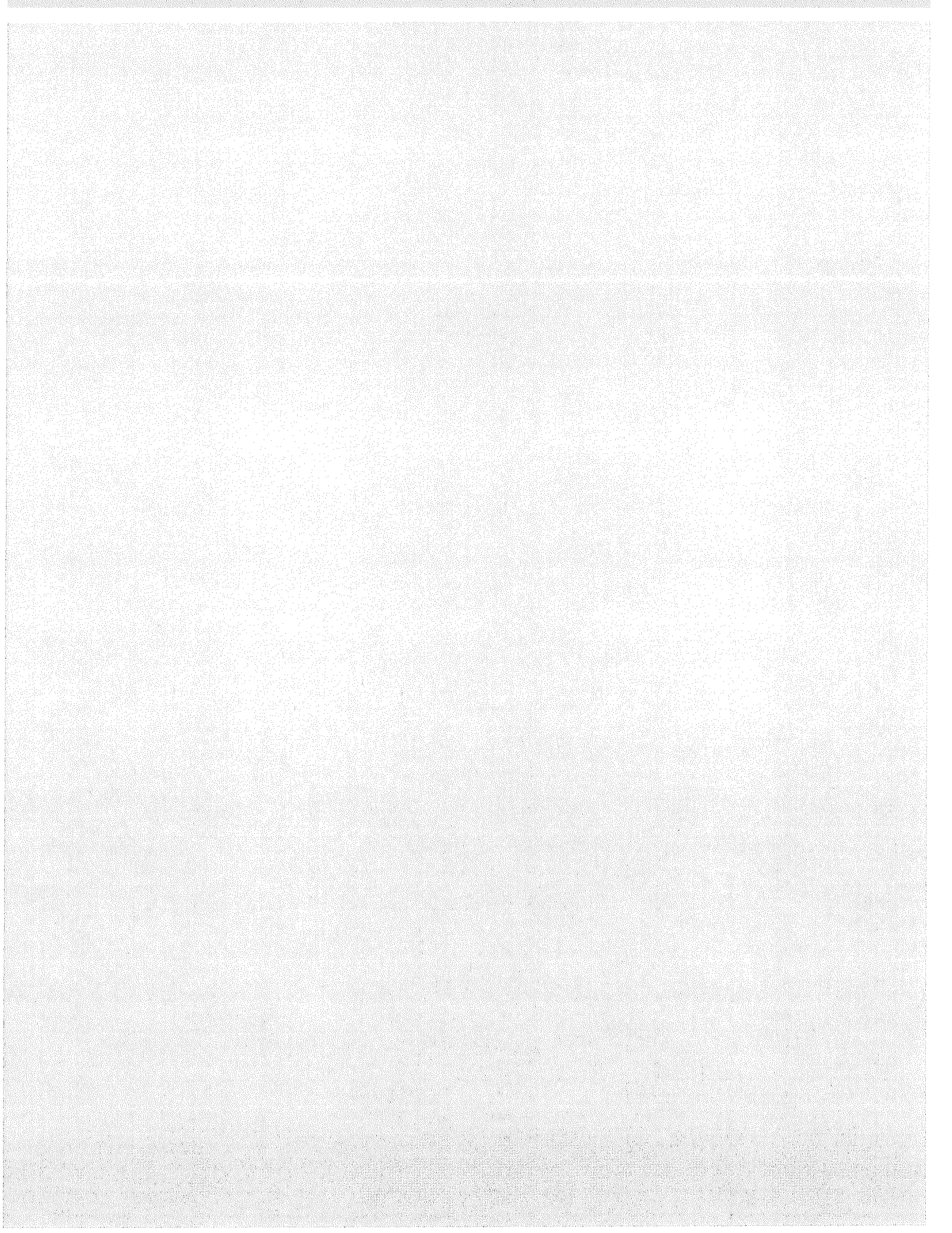
Stephanie A. Wanke

Partner

SAW/

c. client, via email







MILLER THOMSON
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MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Hae Suk Lee
248 Aspen Meadows Crt SW
Calgary, AB T3H 4T3

Dear Hae Suk Lee:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

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Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', is written over the printed name.

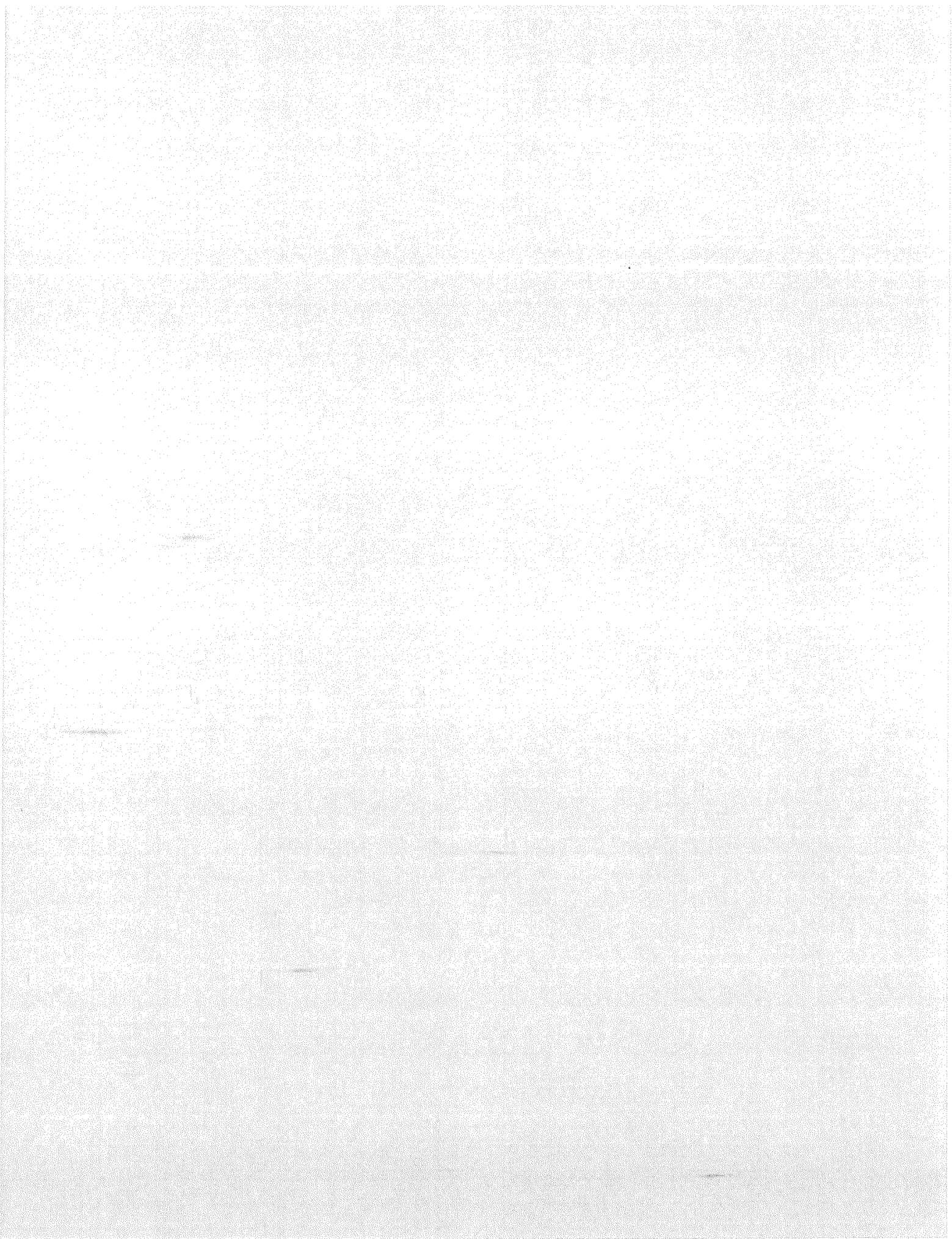
Stephanie A. Wanke

Partner

SAW/

c. client, via email







MILLER THOMSON
ADVOCATES | LAWYERS

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10155 - 102 STREET, SUITE 2700
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F 780 424 5866

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Kwang Kim
248 Aspen Meadows Crt SW
Calgary, AB T3H 4T3

Dear Kwang Kim:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("**ATB**") in connection with the loans (the "**Loans**") made by ATB to 1847845 Alberta Ltd. (the "**Borrower**").

We have demanded payment of the Loans on behalf of ATB.

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Kindly govern yourself accordingly.

Yours truly,

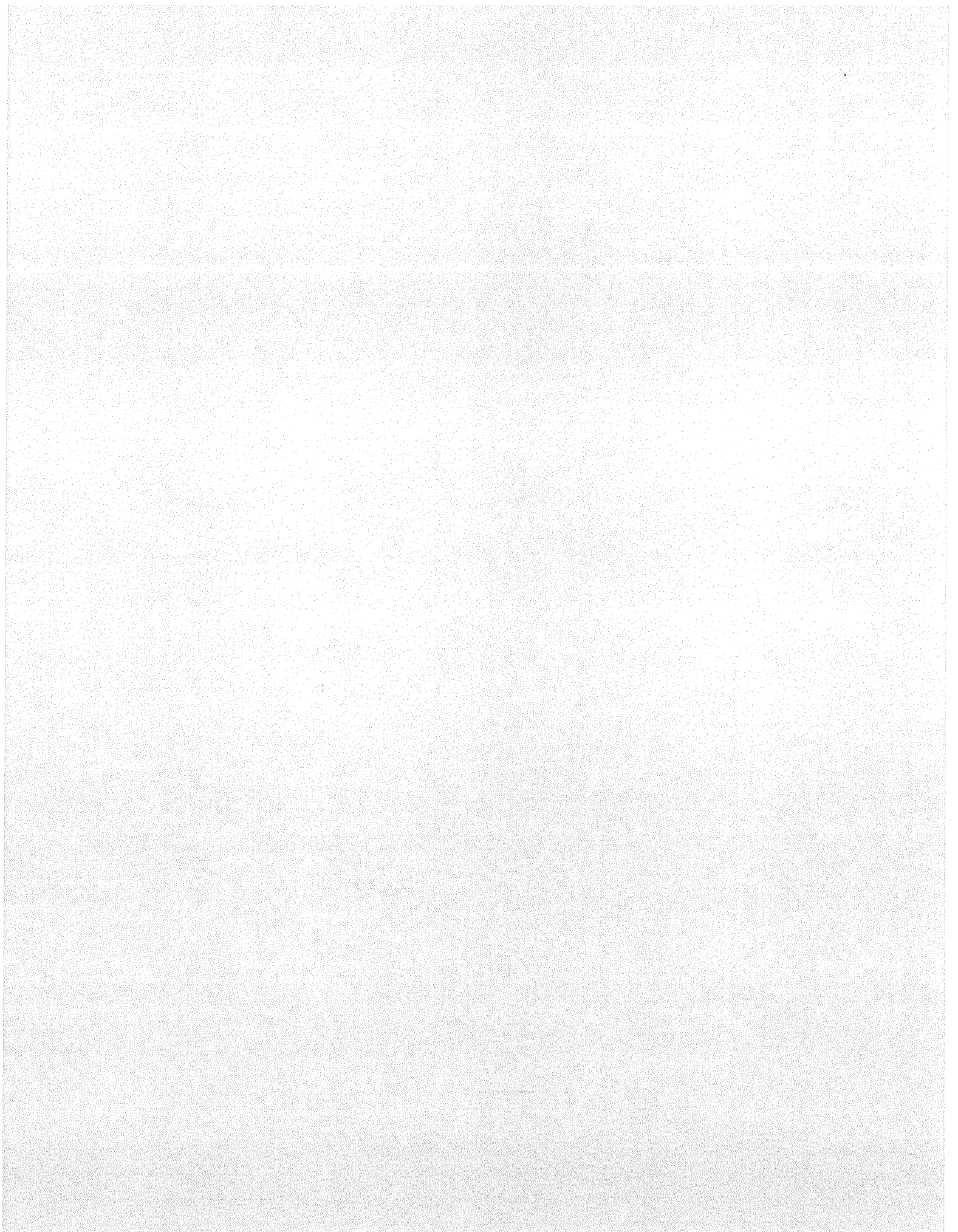
MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', with a stylized flourish at the end.

Stephanie A. Wanke
Partner
SAW/
c. client, via email

A small, handwritten mark or signature in the bottom left corner of the page.





MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 103 STREET, SUITE 2700
EDMONTON AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Myeong Chong
318 Douglas Ave
North York ON M5M 1H1

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Myeong Chong:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

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You (the "Guarantor") have guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$962,500.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

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On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

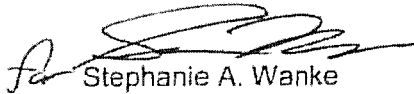
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', is written over the printed name.

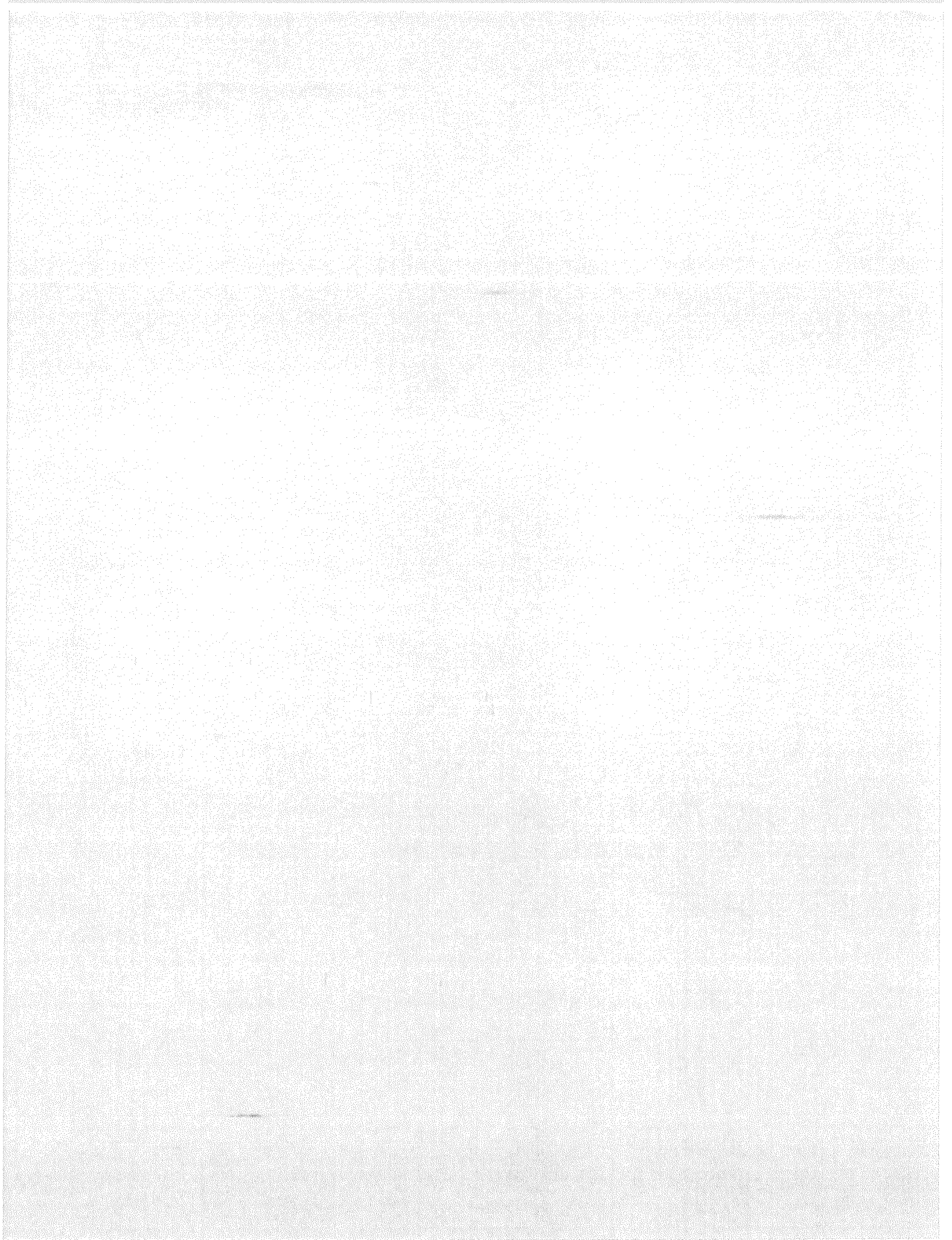
Stephanie A. Wanke

Partner

SAW/

c. client, via email







MILLER THOMSON
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MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G9
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Jai Hoon In
9009 129 Ave
Grande Prairie, AB T8X 0A9

Dear Jai Hoon In:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("**ATB**") in connection with the loans (the "**Loans**") made by ATB to 1847845 Alberta Ltd. (the "**Borrower**")

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

You (the "**Guarantor**") have guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$962,500.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

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On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

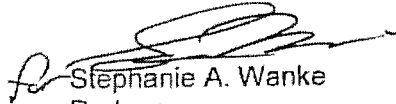
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:


Stephanie A. Wanke
Partner
SAW/
c. client, via email





T 780 429 1751
F 780 474 5866


File: 238199.8

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

for 
Stephanie A. Wanke
Partner
SAW/
c. client, via email





MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 23, 2019

DELIVERED VIA REGULAR MAIL

1847034 Alberta Ltd.
6 Freemont Close
Red Deer, AB T4N 4Y6

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB. A copy of our letter to the Borrower in that regard is enclosed for your information.

We had previously sent correspondence to your registered office by way of Purolator on July 11, 2019 advising you that demand had been made on the Borrower by ATB. However, no one was available to receive the correspondence at your registered office and no one attended Purolator to pick up our correspondence. Accordingly, this letter is being sent to you by regular mail. A copy of our July 11, 2019 correspondence with a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 is enclosed for your records.

1847034 Alberta Ltd. (the "Guarantor") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "Guarantee"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we again demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein is now overdue and must be paid immediately.

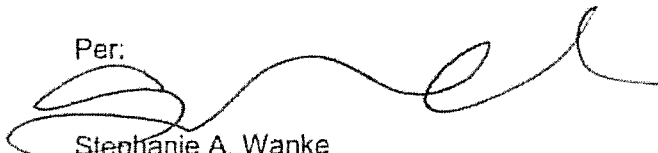
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in black ink, appearing to be 'Stephanie A. Wanke', written over the printed name.

Stephanie A. Wanke

Partner

SAW/

c. client, via email

A small, stylized handwritten mark or signature at the bottom left of the page.



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780 429 1751
F 780 424 5066

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1847034 Alberta Ltd.
6 Freemont Close
Red Deer, AB T4N 4Y6

Stephanie A. Wanke
Direct Line: 780.429.8722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower").

We have demanded payment of the Loans on behalf of ATB.

A copy of our letter to the Borrower in that regard is enclosed for your information.

1847034 Alberta Ltd. (the "Guarantor") has guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$3,850,000.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

Under the terms of the Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2019 (the "Guarantee"), the Guarantor is liable to ATB for payment of the amounts owing by the Borrower to ATB on the Loans.

On behalf of ATB, we hereby demand payment from the Guarantor under the Guarantee of all amounts owing by the Borrower to ATB on the Loans as set forth in our letter addressed to the Borrower, up to the amount of the amount of the Guarantee, plus interest from the date of this letter until payment in full, plus any and all costs incurred by ATB, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Payment of the amount demanded herein must be made by July 26, 2019.

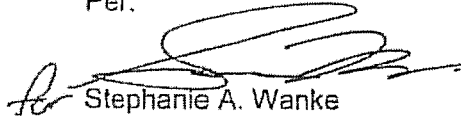
Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies. In that regard, enclosed with this letter is a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 which is hereby being served upon the Guarantor.

Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:


Stephanie A. Wanke
Partner
SAW/
c. client, via email



FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1847034 Alberta Ltd., an insolvent person (the "Insolvent Person")


TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
 - (a) all present and after acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immoveable and leasehold property;
2. The security that is to be enforced is listed in the attached **Schedule "A"**.
3. The total amount of indebtedness secured by the security as at July 3, 2019 totals \$3,263,898.85, plus further interest accruing thereon.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 11th day of July, 2019.

ATB FINANCIAL

Per:

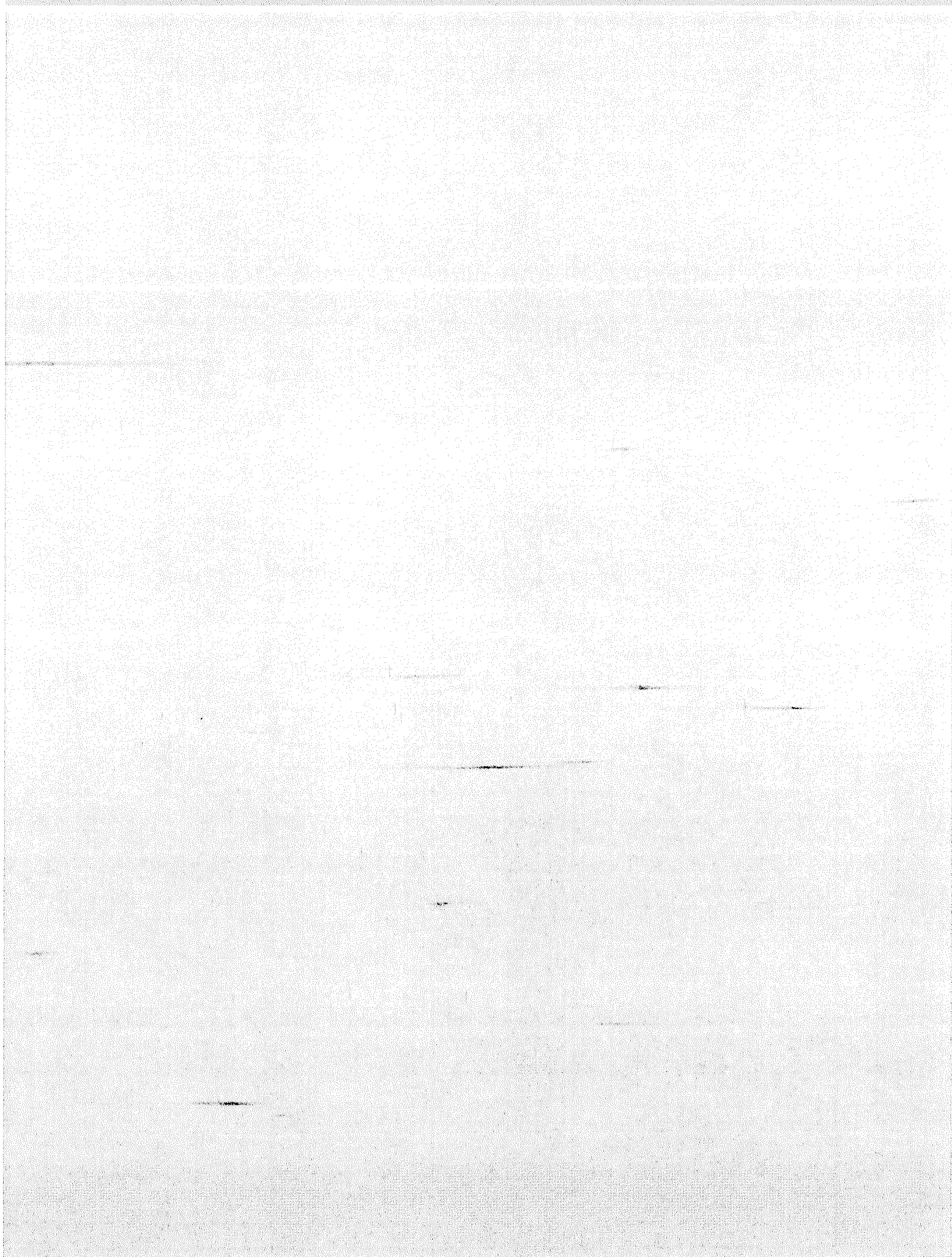

By its authorized agent and legal counsel,
for Stephanie A. Wanke
Barrister and Solicitor



Schedule "A" – Securities

1. General Security Agreement dated October 30, 2014.
2. Continuing Guarantee (Including Postponement and Assignment of Claims) dated October 30, 2014.







MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 23, 2019

DELIVERED VIA REGULAR MAIL

1816665 Alberta Ltd.
29 Sherwood Lane NW
Calgary, AB T3R 0V3

Stephanie A. Wanko
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.B

Dear Sir/Madam:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("**ATB**") in connection with the loans (the "**Loans**") made by ATB to 1847845 Alberta Ltd. (the "**Borrower**").

We have demanded payment of the Loans on behalf of ATB. A copy of our letter to the Borrower in that regard is enclosed for your information.

We had previously sent correspondence to your registered office by way of Purolator on July 11, 2019 advising you that demand had been made on the Borrower by ATB. However, no one was available to receive the correspondence at your registered office and no one attended Purolator to pick up our correspondence. Accordingly, this letter is being sent to you by regular mail. A copy of our July 11, 2019 correspondence with a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 is enclosed for your records.

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Payment of the amount demanded herein is now overdue and must be paid immediately.

Unless the amounts owing to ATB are repaid as demanded, ATB will take steps to exercise its rights and remedies.



MILLER THOMSON
ADVOCATE LAWYERS

MILLER THOMSON LLP
COMMERCIAL PLACE
SUITE 1500
1000-1000-1000-1000
VANCOUVER, BC V6X 1A1
CANADA

T 780.424.1999
F 780.424.3500

MILLERTHOMSON.COM

July 11, 2019

DELIVERED VIA COURIER

1816665 Alberta Ltd.
29 Sherwood Lane NW
Calgary, AB T3R 0V3

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Sir/Madam:

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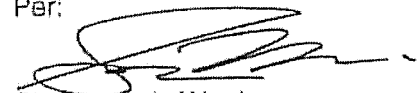
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Kindly govern yourself accordingly.

Yours truly,

MILLER THOMSON LLP

Per:

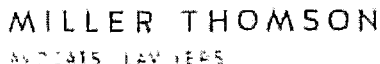
A handwritten signature in black ink, appearing to read 'Stephanie A. Wanke', written over a horizontal line.

Stephanie A. Wanke

Partner

SAW/

c. client, via email



MILLER THOMSON LLP
 600 WEST 12TH STREET
 SUITE 2000
 OMAHA, NE 68102
 402.464.1000

T 340 223 11 1
F 102 223 11 2

MILLERTHOMSON.COM

FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1816665 Alberta Ltd., an insolvent person (the "Insolvent Person")

TAKE NOTICE THAT:

1. ATB Financial, a secured creditor, intends to enforce its security against the property of the Insolvent Person as described below:
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Dated at Edmonton, Alberta this 11th day of July, 2019.

ATB FINANCIAL

Per:

By its authorized agent and legal counsel,
Stephanie A. Wanke
Barrister and Solicitor

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MILLER THOMSON
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10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780 429 1751
F 780 424 5866

MILLERTHOMSON.COM

July 23, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Hae Suk Lee
22 Valley Crest Rise NW
Calgary, AB T3B W8

Dear Hae Suk Lee:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

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We had previously sent correspondence to your address that ATB has on file, being 248 Aspen Meadows Crt SW, Calgary, AB T3H 4T3, on July 11, 2019. However, Canada Post has advised that you no longer reside at that address. A copy of our July 11, 2019 correspondence with a notice pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, 1985 c. B-3 is enclosed for your records.

You (the "Guarantor") have guaranteed the payment of the liabilities of the Borrower to ATB to a maximum amount of \$962,500.00 plus interest thereon from the date of demand for payment at the respective interest of each of the credit facilities of the Borrower, plus all legal costs on a solicitor and own client full indemnity basis.

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Yours truly,

MILLER THOMSON LLP

Perj 

Stephanie A. Wanke

Partner

SAW/

c. client, via email

✶



MILLER THOMSON
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EDMONTON, AB T5J 4G8
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F 780 424 5866

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July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
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Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Hae Suk Lee
248 Aspen Meadows Crt SW
Calgary, AB T3H 4T3

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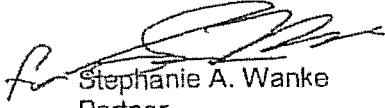
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Yours truly,

MILLER THOMSON LLP

Per:



Stephanie A. Wanke

Partner

SAW/

c. client, via email





MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
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10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

July 23, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Jai Hoon In
7802 Park Lane
Grande Prairie, AB T8Z 0G4

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5866
swanke@millerthomson.com

File: 238199.8

Dear Jai Hoon In:

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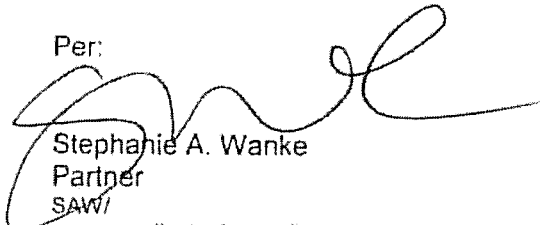
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Yours truly,

MILLER THOMSON LLP

Per:



Stephanie A. Wanke
Partner
SAW/
c. client, via email





MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5856

MILLERTHOMSON.COM

July 11, 2019

**DELIVERED VIA REGISTERED MAIL AND
REGULAR MAIL**

Jai Hoon In
9009 129 Ave
Grande Prairie, AB T8X 0A9

Stephanie A. Wanke
Direct Line: 780.429.9722
Direct Fax: 780.424.5856
swanke@millerthomson.com

File: 238199.6

Dear Jai Hoon In:

Re: Guarantee of Liabilities of 1847845 Alberta Ltd. to ATB Financial

We are the lawyers for ATB Financial ("ATB") in connection with the loans (the "Loans") made by ATB to 1847845 Alberta Ltd. (the "Borrower")

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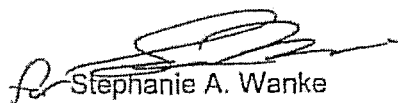
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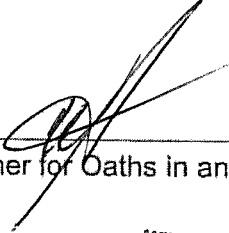
MILLER THOMSON LLP

Per:


Stephanie A. Wanke
Partner
SAW/
c. client, via email



This is **Exhibit "X"** referred to in the Affidavit of David Horen
sworn before me this 18 day of November, 2019



A Commissioner for Oaths in and for Alberta

WILLIAM GEORGE GRESCHUK
0697818
My Commission Expires
December 29, 2021

October 25, 2019

9912 - 107 Street
PO Box 2415
Edmonton AB T6J 2S5

Phone: 780-498-3999
Fax: 780-498-7999
Website: www.wcb.ab.ca
Toll Free: 1-866-922-9221

ATB FINANCIAL TRANSIT# 0900
2ND FLOOR, 217 16 AVENUE NW
CALGARY AB T2M 0H5

Account Number: 7313855

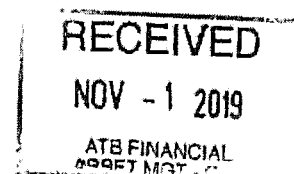
Dear Sir/Madam:

RE: Section 129 Notice of Priority

A recent search at the Personal Property Registry indicates you have a security interest registered with 1847845 ALBERTA LTD..


WCB-Alberta maintains a statutory priority to all assets and proceeds of assets (whether recovery is voluntary or involuntary) of 1847845 ALBERTA LTD. pursuant to Sections 129 and 130 of our Act. This priority (including leases) is granted to WCB to ensure that workers' compensation is adequately funded so injured workers' benefits are secured.

This letter is to serve notice that the WCB may exercise its priority over your security in the event our efforts to collect against the debtor are unsuccessful. We will pursue all reasonable avenues for collection prior to exerting our priority over your security. In the event WCB does exercise its priority, we would only do so on balances exceeding \$1,000. The amount currently owing is \$1,057.94.



For future reference, WCB offers Section 129 clearance certificates to help minimize risks relating to your security. Please contact our office to advise if you no longer have a secured interest with 1847845 ALBERTA LTD., or to discuss this matter further.

Sincerely,



Crystal Fodor
Employer Account Services C1

CC:
1847845 ALBERTA LTD.