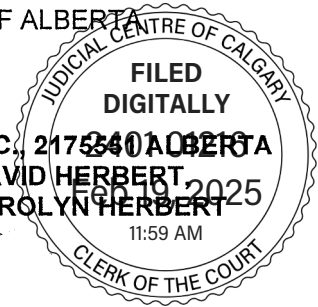


Clerk's Stamp:

COURT FILE NUMBER	2401-01216
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFFS	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., STEVEN HERBERT, DAVID HERBERT, MURRAY HERBERT AND CAROLYN HERBERT
DEFENDANT/PLAINTIFF BY COUNTERCLAIM	ATB FINANCIAL
DEFENDANTS BY COUNTERCLAIM	APEX NUTRI-SOLUTIONS INC., 2175551 ALBERTA LTD., DAVID HERBERT, MURRAY HERBERT AND CAROLYN HERBERT
DOCUMENT	<u>AFFIDAVIT</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 141950-292 / 262



AFFIDAVIT NO. 2 OF REHMAN MULJI


Sworn on February 14, 2025

I, Rehman Mulji, of the City of Calgary, in the Province of Alberta, **SWEAR AND SAY THAT:**

1. I am a Director with the Commercial Risk Advisory and Management group at ATB Financial ("**ATB**"), the defendant in these proceedings and plaintiff by counterclaim. I have personal knowledge of the matters hereinafter deposed to, except where stated to be based upon information and belief. Where knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.
2. I swear this Affidavit to provide disclosure to the Court of certain documentation pertaining to, i) the loan agreement and security held by ATB in respect of borrowings of Murray Herbert and Carolyn Herbert; and ii) certain notices received from Farm Debt Mediation Services ("**FDMS**"), in respect of the stay of proceedings invoked by Apex Nutri-Solutions Inc. ("**Apex**"), 2175551 Alberta Ltd. ("**217 AB**") and Murray and Carolyn Herbert (the "**Herberts**").
3. In this regard, I attach the following:
 - (a) a copy of a Business Loan Credit Agreement, dated February 23, 2018, among the Herberts and ATB (**Exhibit A**);

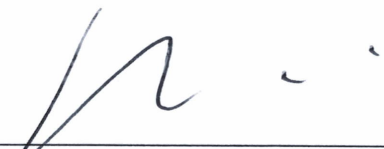
- (b) a copy of a collateral mortgage, dated March 2, 2018, granted by the Herberts to ATB (**Exhibit B**);
 - (c) a copy of a general security agreement, dated March 2, 2018, granted by the Herberts to ATB (**Exhibit C**);
 - (d) copies of notices received by ATB from FDMS, which were sent to ATB by way of emails from Joanne Borschneck of FDMS, advising of commencement of FDMS proceedings for Apex, 217 AB and the Herberts:
 - (i) August 29, 2023 – Notice of Stay and Appointment of Guardian – Murray and Carolyn Herbert;
 - (ii) August 30, 2023 – Notice of Stay and Appointment of Guardian – 217 AB; and
 - (iii) August 31, 2023 – Notice of Stay and Appointment of Guardian – Apex,
(collectively, **Exhibit D**);
 - (e) copies of notices received by ATB from FDMS, by way of emails from Joanne Borschneck of FDMS, advising of the termination of the stay of proceedings for each of Apex, 217 AB and the Herberts, subject to appeal:
 - (i) November 6, 2023 – Notice of Termination of Stay of Proceedings (Subject to Appeal) – Apex;
 - (ii) November 6, 2023 – Notice of Termination of Stay of Proceedings (Subject to Appeal) – 217 AB; and
 - (iii) November 6, 2023 – Notice of Termination of Stay of Proceedings (Subject to Appeal) – Murray and Carolyn Herbert,
(collectively, **Exhibit E**);
 - (f) a copy of a notice, dated November 17, 2023, received by ATB from FDMS, by way of email from Joanne Borschneck of FDMS, advising the stay of proceedings for the Herberts had ended as of midnight on November 16, 2023, as a result of no appeal (**Exhibit F**); and
 - (g) a copy of an email from Joanne Borschneck of FDMS, to ATB's counsel of record at Dentons Canada LLP, dated November 21, 2023, confirming the file "for Murray and Carolyn is now closed as of November 16, 2023, there was no appeal from the farmer on the termination sent out by our office." (**Exhibit G**)
4. I understand each of Apex and 217 AB appealed the November termination of the stay of proceedings, resulting in the FDMS process for those two companies being extended to December 2023.

SWORN BEFORE ME at the City of Calgary,
Alberta, this 14th day of February, 2025



Commissioner for Oaths in and for the
Province of Alberta

Derek Pontin
Barrister and Solicitor



REHMAN MULJI

THIS IS EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Business Loan Credit Agreement

February 23, 2018

Murray Paul Herbert and Carolyn Joan Herbert
PO Box 88
Edberg, Alberta
T0B 1J0

We, Alberta Treasury Branches operating as ATB Financial ("ATB"), have approved and are pleased to offer You the following new credit facilities and/or extension of existing credit facilities, if applicable, as follows (each referred to as a "Credit Facility" and collectively as "Credit Facilities"):

Credit Facility Type: Operating Loan

Industry: Agriculture

Credit Facility Number: 1

Maximum Limit: \$450,000.00

Interest Rate: Prime plus 0.51% per annum

Advances and Payments: From time to time, principal advances (on a revolving basis) and repayments to Transit # 766 Account # To Be Determined will be in the minimum sum of \$0.01 or multiple thereof.

Credit Facility Maturity: This Credit Facility is scheduled to mature on June 30, 2018.

Security: You pledge the following as general and continuing Security for the due payment and performance of all of Your debts, liabilities and obligations to ATB, howsoever arising, including, without restriction, present and future, absolute and contingent, direct and indirect debts, liabilities and obligations owing by You to ATB:

To be taken

- **General Security Agreement (Borrower):**
 - providing a security interest over all present and after-acquired personal property

- **Real Property (Land) Mortgage (Borrower):**

Legal Description	Principal Sum	Position
SE 26-43-20-W4th	\$450,000.00	1 st

The security documents are to be registered in the following jurisdictions: Alberta

Prime: ATB's Prime as of this date is 3.45 % per annum

Conditions:

You and the Guarantor(s), if any, jointly and severally agree:

- (a) to pay to ATB, when due, all amounts owing by You to ATB under this Credit Agreement, including, without restriction, principal, interest, fees and other sums, as specified herein;
- (b) to pay to ATB, on demand, all legal and other costs incurred by ATB in respect of the above Credit Facilities, including, without restriction, for the preparation, registration and realization on the Security and collection of the indebtedness, all with legal costs on a solicitor and its own client, full indemnity basis;
- (c) to be bound by the terms and conditions outlined in:
 - (i) the Business Loan Credit Agreement Standard Terms and Conditions, and
 - (ii) Appendix "A" to this Credit Agreement;

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- (d) that funds under this Credit Agreement will not be available until the disbursement conditions set forth at Appendix "B" of this Credit Agreement are met to ATB's satisfaction, unless waived by ATB, in writing; and
- (e) that upon maturity of each Credit Facility, the respective matured amount outstanding will be immediately payable, in full, by You to ATB, without demand.

Review Date:

All of these Credit Facilities are demand in nature and are subject to review by ATB on an annual basis or at any other time in ATB's sole discretion. The next Review Date is scheduled for June 30, 2018.

If You are in agreement with this offer, including the conditions listed in Appendices "A" and "B" below together with the terms and conditions detailed in the Business Loan Credit Agreement Standard Terms and Conditions, then please return a signed copy of this Credit Agreement to ATB. If ATB does not receive such signed copy within 30 days from the date first set out above in this communication, then this offer will automatically expire. Acceptance of this Credit Agreement does not replace any existing commitment letter or credit agreement between You and ATB, and the obligations under this Credit Agreement are not a substitution for the obligations under any existing commitment letter or credit agreement between You and ATB, except as expressly provided herein. The Security under any existing commitment letter or credit agreement shall continue to secure the respective obligations.

ATB reserves the right to cancel this offer any time prior to acceptance. If You have any questions or concerns, please feel free to contact us.

Yours truly,



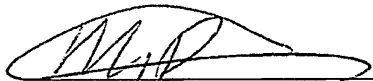
Alberta Treasury Branches
Debbie Soch
Manager Entrepreneurship
780 679 5294
Camrose Branch #700, 7300 – 48th Avenue Camrose, Alberta T4V 4W2

Acceptance and Acknowledgement:

By signing below, I (we) certify that all information provided to ATB is complete and accurate, that the terms of the Credit Facilities are accepted, and that I (we) have received, read and understood this Business Loan Credit Agreement, complete with its appendices and schedule (Business Loan Credit Agreement Standard Terms and Conditions). The individual(s) executing this Credit Agreement represent and warrant to ATB that he/she is, or they are (as applicable), authorized to execute this Credit Agreement on behalf of the borrowing entity(ies).

This Credit Agreement can be executed by you electronically, and you may deliver it to ATB by facsimile, email or other functionally-equivalent means of transmission.

Borrower(s)


Murray Paul Herbert

Date Accepted:


Carolyn Joan Herbert

Date Accepted:

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Appendix A

The Borrower also agrees to the following:

- To provide to ATB any information regarding assets, operations and financial conditions that ATB may from time to time request
- Within 120 days after fiscal year end, to provide ATB with such financial statements, statement of farm assets and liabilities, farm cash flow projections, income tax statements and/or statement of income and expenses as requested by ATB
- Except as permitted under the Credit Agreement, to not sell, lease or otherwise dispose of any of its assets with an aggregate fair market value exceeding \$10,000.00

Appendix B

Disbursement Conditions:

Before the Credit Facilities are advanced or extended, as applicable, ATB must be in receipt of the following records with respect to the Borrower and Guarantor, each in form and content satisfactory to ATB:

- Security outlined in this Credit Agreement to be registered in the following jurisdictions:
 - Alberta
- Security outlined in this Credit Agreement, to be prepared by:
 - ATB
- Corporate Records
- Banking resolution in form provided by ATB or otherwise acceptable to ATB
- Credit Information and Alberta Land Titles Office Name Search Consent form
- Sunlife Assurance Company of Canada Group Creditor's Life Insurance Application (or Waiver)
- Fire and extended coverage insurance policy for the full insurable value of assets, with loss payable to ATB as its interest warrants, containing acceptable mortgage clause
- Evidence of Property Taxes Paid. Pre-Disbursement

Business Loan Credit Agreement Standard Terms And Conditions

The following are the terms and conditions for the Credit Agreement.

1. Definitions:

"ATB" or **"Us"** or **"We"** means Alberta Treasury Branches, operating as ATB Financial.

"Borrower" means the individual or individuals who, and/or the corporate or partnership entity or entities which, signed the Credit Agreement and is (are) indebted to ATB by virtue of the Credit Agreement, and is (are) not the Guarantor.

"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.

"Card" means an ATB Mastercard and any additional or replacement Card(s) which may be issued to You from time to time.

"Cash Flow Available To Service Debt" [use this definition for agricultural Borrower (where financial statements are prepared on a "notice to reader" or "review engagement" accrual basis) &/or for business Borrower] means, for any period, net income determined on a consolidated basis in accordance with GAAP or IFRS (as applicable); provided that (but without duplication) there shall be (a) added thereto depreciation, amortization and other non-cash charges, extraordinary expenses, any losses on disposal of fixed assets and Interest Expense and (b) subtracted therefrom extraordinary income, gains on disposal of fixed assets, any reduction in shareholder loans and dividends declared during the period.

"Cash Flow Available To Service Debt" [use this definition for agricultural Borrower where financial statements are not prepared on a "notice to reader" or "review engagement" accrual basis] means net farming income plus optional mandatory Inventory adjustment-previous year minus optional mandatory Inventory adjustment-current year plus depreciation/capital cost allowance plus interest and bank charges plus extraordinary expense minus extraordinary income minus living expenses (applicable to non-incorporated farms) plus ending accounts receivable plus ending Inventory plus opening accounts payable minus opening accounts receivable minus opening Inventory minus closing accounts payable.

"Credit Agreement" means the Business Loan Credit Agreement, with its appendices and schedule (Business Loan Credit Agreement Standard Terms and Conditions).

"Credit Facility" or **"Credit Facilities"** means the credit facility, or the credit facilities, established by the Credit Agreement.

"Current Assets" means, for a day, the amount of current assets as determined in accordance with GAAP or IFRS (as applicable), on a consolidated basis.

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

"Current Portion of Long Term Debt" or **"Debt"** is the total 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 or IFRS (as applicable).

"Date of the Credit Agreement" means the latest acceptance date for the Borrower and Guarantor, as noted in the Credit Agreement.

"Debt Service Coverage Ratio" means, for any period, the ratio of (a) Cash Flow Available to Service Debt, to (b) Interest Expense plus 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 or IFRS (as applicable), on a consolidated basis, an amount equal to the amount of shareholders' equity, including share capital, retained earnings and postponed advances (if postponed on terms and in a manner acceptable to ATB) but excluding advances to affiliates/shareholders, goodwill and intangible assets.

"Funded Debt" means all outstanding non-postponed debt (but only excluding such postponed debt if it is postponed on terms and in a manner acceptable to ATB), including capital leases (as defined according to GAAP or IFRS, as applicable), debt subject to scheduled repayments terms, credit card debt and letters of credit.

"Generally Accepted Accounting Principles" or "GAAP" or "International Financial Reporting Standards" or "IFRS" means generally accepted accounting principles or international financial reporting standards (as applicable), as may be described in the Canadian Institute of Chartered Accountants Handbook.

"Good Accounts Receivable" means unencumbered accounts receivable excluding: (a) bad or doubtful accounts; (b) all amounts due from any affiliate; (c) except where ATB nevertheless designates the accounts receivable as good, the entire amount of accounts receivable when any portion is outstanding for more than 90 days past the billing date; however, the "under 90 day" portion may be included where the "over 90 day" portion is less than 10% of the entire accounts receivable; (d) the amount of all holdbacks or contra accounts; and (e) any accounts which ATB has designated as ineligible.

"GST" means Goods and Services Tax as defined in the *Excise Tax Act* or in any legislation in replacement thereof.

"Guarantor" means the individual or individuals who, and/or the corporate or partnership entity or entities which, is (are) bound by a guarantee under the Credit Agreement, and is (are) not the Borrower.

"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.

"Interest Rate Differential" or "IRD" means ATB'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) ATB's interest rate loan

funding cost at the time of prepayment as determined by ATB; and (ii) the **margin rate**, where the margin rate is equal to the difference between (A) the Borrower's Rate, and (B) ATB'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 inventory of the Borrower which is not subject to any security interest, encumbrance, right or claim which ranks or is capable of ranking in priority to ATB's Security. Inventory shall not include any inventory which has not been fully and unconditionally paid for by You and, in the case of crops or animals, Inventory shall exclude any amounts owed by You for inputs for the purpose of growing the crops or raising the animals, including, but not limited to, fertilizer, food, drugs and hormones.

"Irrigation Acres" means irrigation acres as defined in the *Irrigation District Act* (Alberta) or in any legislation in replacement thereof.

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

"Letter of Guarantee" means a letter of guarantee issued for the Borrower by ATB in favour of the Alberta Gaming and Liquor Commission.

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

"Maximum Limit" means the maximum amount available to the Borrower under a particular Credit Facility.

"Overdraft Interest Rate" means the rate per annum established by ATB from time to time for overdrafts permitted or granted by ATB and, as of July 17, 2012, was 19.25% per annum.

"Overdraft Transaction" means any cheque, debit transaction, fee, charge, expense or other item which creates an overdraft on Your account(s) held with ATB.

"Personal Information" means any information, excluding business contact information, which relates to an individual and allows ATB to identify that individual.

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"Prime" means the prime lending rate per annum established by ATB from time to time for 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 ATB 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. All interest rates specified are nominal annual rates. The effective annual rate in any case will vary with payment frequency.

"Security" includes, without restriction, the property that is subject to a security interest or mortgage, with all proceeds and renewals thereof, accessions thereto and substitutions thereof, and continuing guarantee(s), if any, pursuant to the terms of this Credit Agreement.

"Total Debt" means, as of the end of any fiscal quarter and as determined in accordance with GAAP or IFRS (as applicable), on a consolidated basis and without duplication, an amount equal to: (a) the amount of Current Liabilities, plus, if not already included therein, the Current Portion of Long Term Debt; plus (b) the aggregate of: (i) the amount of Long Term Debt, including the Borrowings; and (ii) 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 ATB).

"Total Debt to Equity Ratio" means at any time the ratio of (a) Total Debt to (b) Equity.

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

"You" or **"Your"** means the Borrower, or the Borrower's, as applicable. For purposes of the sharing of Personal Information, **"You"** or **"Your"** means the principal(s) of the Borrower or any Guarantor(s), as evidenced by their respective signature(s) upon the Credit Agreement, in their personal capacity.

2. Preconditions

None of the Credit Facilities will be available, and the availability of further advances will be curtailed, until

the following conditions precedent have been satisfied: (a) ATB has received all records required under the Credit Agreement, and all registrations and filings have been completed, in all cases, in form and substance satisfactory to ATB; (b) the Borrower has provided all information ATB may require, including, but not limited to, corporate records, financial statements, appraisals, environmental reports, building inspection reports, evidence of equity or down payment and ownership and any other information that ATB may require, including, but not limited to: (i) Sunlife Assurance Company of Canada Group Creditor's Life Insurance – application or waiver; (ii) Credit Information and Alberta Land Titles Office Name Search Consent forms; (iii) Environmental Questionnaire and Disclosure Statement; (iv) Phase I Environmental Review; (v) Phase II Environmental Review; (vi) Phase III Environmental Review; and (vii) Solicitor's Opinion; (c) ATB has received payment of all fees due in respect hereof; (d) ATB is satisfied as to the value of the Borrower's and each Guarantor's assets and financial condition, as well as the Borrower's and each Guarantor's ability to carry on business and repay any amount owed to ATB from time to time; (e) there is no Event of Default hereunder or under any Security; and (f) all representations and warranties hereunder are true and correct, in all material respects.

3. Terms for Operating Loans

You may borrow, repay and re-borrow from time to time, on a revolving basis, up to the Maximum Limit specified, as detailed in the Credit Agreement. In such cases, ATB is authorized to advance, or re-advance, funds from time to time by credit to Your account(s) with ATB. ATB may refuse to make any further advances under the Operating Loan if the amount of such advances, when added to the amount then outstanding, exceeds the Maximum Limit for that Credit Facility. ATB may, without restriction, on oral or written notice to You, temporarily or permanently reduce the Maximum Limit. If ATB authorizes advances under the Operating Loan that exceed the amount of the credit available for that Credit Facility as established by the Credit Agreement, ATB may treat the excess as an overdraft. ATB's Overdraft Interest Rate in effect will be charged on the full amount of the excess and You will pay ATB any overdraft fees, charges or interest as may be established by ATB from time to time. ATB will not be required to advance funds to You in excess of the Maximum Limit specified in the Credit Agreement.

4. Prepayment Terms for Fixed Rate Business Term Loans (with Purpose designated as other than "Business Growth Loan") and Evergreen Lines of Credit Designated as Business

Unless demanded by ATB, You may not prepay the whole or any part of the principal sum under these Credit Facilities without ATB's written approval, which may be conditional on paying a prepayment privilege equal to 3 months' interest on the amount prepaid or the Interest Rate Differential, whichever is greater.

5. Prepayment Terms for Business Term Loans (with Purpose Designated as "Business Growth Loan")

Within the first 3 years of this Credit Facility, You may not prepay the whole or any part of the principal amount unless demanded by ATB. And as of 3 years into such Credit Facility and throughout the remainder of its term, You may, when not in default hereunder, prepay the whole or any part of the outstanding principal amount upon payment of an amount (which You and ATB agree is a genuine pre-estimate of damages and not a penalty) equal to the Interest Rate Differential, if any, plus an amount equal to 0.20% per month on the amount prepaid.

6. Terms for Business and Agriculture Term Loans and Evergreen Lines of Credit

Non-revolving: Business and Agriculture Term Loan Credit Facilities are non-revolving. Amounts repaid may not be re-borrowed.

Cancellation: ATB reserves the right to cancel the stated interest rate when a portion of the Credit Facility has not been drawn within 60 days of the Date of the Credit Agreement, or 50% or more of the Credit Facility has not been drawn down within 90 days of the Date of the Credit Agreement.

Conversion Privilege – Fixed Rate to Variable Rate:

For Term Loans designated as Business or Agriculture and for each advance drawn under Evergreen Lines of Credit, You may apply, in writing, at any time to ATB to change the applicable interest rate from a fixed rate Credit Facility to a variable rate Credit Facility. If approval is granted, You shall pay: (a) all out-of-pocket expenses incurred by ATB; (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.

Conversion Privilege --- Variable Rate to Fixed Rate: For Term Loans designated as Business or Agriculture and for each advance drawn under Evergreen Lines of

Credit, You may apply, in writing, at any time to ATB to change the applicable interest rate from a variable rate Credit Facility to a fixed rate Credit Facility. If approval is granted, You will pay: (a) an administration fee of (i) \$500 for a Credit Facility with an outstanding balance of less than \$100,000; (ii) \$750 for a Credit Facility with an outstanding balance of \$100,000 up to and including \$500,000; (iii) \$1000 for a Credit Facility with an outstanding balance greater than \$500,000; (b) all out-of-pocket expenses incurred by ATB; and (c) all accrued interest up to the conversion date.

7. Terms for Evergreen Line of Credit

Advances will be determined by ATB and will be limited to the maximum principal of the Credit Facility, less any outstanding advances. Each advance of a loan under the Evergreen Line of Credit (and the particulars thereof) will be evidenced by, and detailed in, a separate confirmation. Prior to each advance, ATB must be satisfied it has a registered first charge against the capital asset being purchased.

8. Prepayment Terms for Agriculture Term Loans and Evergreen Lines of Credit Designated as Agriculture

Prepayment Privilege for fixed rate Credit Facilities, secured by real estate or to a corporation, with a 1 to 5 year term: For each Credit Facility, You may, each calendar year, by way of lump sum amount(s), prepay the whole or any part of the principal sum, up to 20% of the amount outstanding as of the end of the last calendar year, without a prepayment charge. This privilege is non-cumulative. Unless demanded by ATB, any prepayment above 20%, without ATB's written approval, will be subject to a prepayment charge, representing a pre-estimate of damages, equal to 3 months' interest or the Interest Rate Differential, whichever is greater.

Prepayment Privilege for fixed rate Credit Facilities, secured by real estate or to a corporation, with a term greater than 5 years: For each Credit Facility, unless demanded by ATB, You may not prepay the whole or any part of the principal, including an increase in regular payments, without ATB's written approval, and You will be subject to a prepayment charge (a) in the first 5 years, 3 months' interest or the Interest Rate Differential, whichever is greater; (b) after 5 years, 3 months' interest.

Prepayment Privilege for fixed rate Credit Facilities not secured by real estate (non-corporate Borrower): At any time, You may prepay, without penalty, the whole or

any portion of the principal, interest and/or other amounts payable under such Credit Facility.

9. Overdraft

If ATB, at its sole option, advances funds to pay an Overdraft Transaction plus the applicable interest thereon, You shall repay such amount within 30 days of the advance.

Where the interest rate for a Credit Facility is based on the Overdraft Interest Rate, the applicable rate on any day will depend on the Overdraft Interest Rate in effect on that day and overdraft interest will be compounded monthly. The statement by ATB as to the Overdraft Interest Rate and as to the rate of interest applicable to a Credit Facility on any day will be binding and conclusive for all purposes. All interest rates specified are nominal annual rates and the effective annual rate in any case will vary with payment frequency.

10. Letter of Credit and Letter of Guarantee

Prior to issuing a Letter of Credit (or Letter of Guarantee, as applicable), You agree to complete and sign the applicable letter of credit (or letter of guarantee) application and agreement, in form and content acceptable to ATB.

11. Mastercard®

If ATB issues a Card, You agree to abide by the cardholder agreement provided with the Card. Mastercard® is a registered trademark of Mastercard International Inc. ATB is a licensed user of the mark.

12. Irrigation Rights

If You have irrigation rights: (a) You acknowledge and agree that ATB shall be entitled to give notice to any irrigation district in which You have Irrigation Acres in a parcel of land on which ATB has Security of Your covenants with respect to irrigation; (b) You shall not, without prior written approval from ATB: (i) enter into any agreement with any person or entity to transfer, sell or otherwise dispose of Irrigation Acres in a parcel of land on which ATB has Security or on which You have agreed or hereafter agree to grant Security to ATB, (ii) make any application under the *Irrigation Districts Act* (Alberta) to transfer Irrigation Acres in a parcel of land on which ATB has Security or on which You have agreed to grant Security to ATB or to another parcel of land, whether such other parcel is owned by You or by a third party, and (iii) make any application under the *Irrigation Districts Act* (Alberta) to use water to irrigate an alternate parcel not included in the assessment roll of an irrigation district in lieu of using water to irrigate

Irrigation Acres in a parcel of land on which ATB has Security or on which You have agreed or hereafter agree to grant Security to ATB.

13. Livestock Security Interest

If the Borrowings involve a livestock security interest (as that term is defined by the *Livestock Identification and Commerce Act* (Alberta) or any legislation in replacement thereof, hereinafter "*LICA*"), You will comply with all of Your obligations under *LICA* including, without restriction: (a) fully and punctually completing all documentation mandated by *LICA* and otherwise adhering to all other statutory requirements under *LICA*, (b) disclosing such livestock security interest of ATB in the livestock (inclusive of its dam and offspring), (iii) causing any purchaser of such livestock to pay for the livestock in accordance with *LICA*, with those sale proceeds made jointly payable to at least You and ATB, and (iv) depositing such sale proceeds to Your account(s) with ATB (except, however, if the cheque in payment of those proceeds is issued jointly to You, ATB and a third party or third parties, then, prior to depositing the cheque to Your account(s) with ATB, You will obtain all necessary endorsements from such third party, or third parties, in relation to that cheque).

14. Payments

You must pay back all Credit Facilities to You or for Your benefit according to the terms of the Credit Agreement. Any payment due under the Credit Agreement shall, at ATB's option, be applied firstly to accrued interest and secondly in reduction of principal. You authorize ATB to charge any payments or other amounts due under the Credit Agreement to any account You have with ATB.

15. Fees

You will pay to ATB all fees, charges, interest and indebtedness, in accordance with, and at the rates specified in, the Credit Agreement with its appendices and schedule (Business Loan Credit Agreement Standard Terms and Conditions). You also agree to pay ATB all costs and expenses (including legal fees on a solicitor and its own client, full indemnity basis) incurred by ATB to establish, preserve and/or enforce any rights granted to ATB in the Credit Agreement. We will charge You interest, at Prime plus 3% per annum, on any expenses incurred by ATB under the Credit Agreement. You agree to pay ATB any review or extension fee for each Credit Facility as may be established by ATB from time to time. Without limiting ATB's rights by virtue of default, You agree that a non-refundable fee for late delivery to ATB of inventory listings, accounts receivable listings, accounts payable

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listings, interim financial statements or annual financial statements may be charged, and You agree to pay the same to ATB. These fees are set forth in the Credit Agreement.

16. Interest

Interest will be computed from the date(s) funds are advanced and will be calculated on the daily outstanding principal You owe to ATB. Interest will be due and payable as follows: (a) for Operating Loans, prior to demand, interest is due and payable monthly on the last day of each month unless You and ATB agree to a different date, in writing; (b) for Term Loans with blended payments, prior to demand, interest is due and payable when each periodic payment is due; (c) for all other Term Loans, prior to demand, interest is due and payable at least on the date of the principal payment and more frequently in ATB's sole discretion; (d) for Letter of Credit and Letter of Guarantee, interest is due and payable in accordance with the applicable letter of credit (or letter of guarantee) application and agreement; and, (e) for Mastercard, interest is payable in accordance with the cardholder agreement. Interest will be due and payable both before and after maturity or demand, and before or after default or judgment.

17. Variable Rate Loans with Blended Payments

The payment is subject to adjustments on notice to You to reflect changes in interest rates while maintaining the original amortization period.

18. Representations & Warranties

You agree that: (a) the Security is owned by You and is free of all encumbrances other than the permitted encumbrances set forth in the Credit Agreement; (b) You have full power and authority to conduct Your business, own Your properties and to execute, deliver and perform all Your obligations as detailed in the Credit Agreement; (c) unless authorized, the Security is located in Alberta and is not used in any other jurisdiction; (d) Your legal name is accurately set forth in the Credit Agreement and You have disclosed to ATB all other names by which You are known; (e) to the best of Your knowledge, the information in the applicable loan request or credit application is accurate and complete; (f) there are no environmental conditions which might negatively affect the Security or the operation of Your business; (g) all government remittances are and will remain compliant; (h) Your most recent financial statements and, if applicable, the most recent financial statements of any Guarantor, provided to ATB, fairly represent 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; (i) the Borrower and Guarantor are duly incorporated (*in the case of a corporation*) or duly created (*in the case of a partnership*), validly existing and qualified to carry on business in Alberta; (j) the execution, delivery and performance by the Borrower and each Guarantor of this Credit Agreement and the security documents required have been duly authorized by all necessary actions and do not violate governing documents for each, any laws to which each is subject or any agreements by which each is bound; and (k) the businesses of the Borrower and each Guarantor are operated in accordance with all applicable laws.

19. Obligations

You agree to: (a) pay ATB the money You owe Us when due; (b) provide to ATB all such Security and promises as ATB may require to secure the repayment of such Credit Facilities with interest thereon and execute all security agreements, mortgages, hypothecations, charges, pledges, conveyances, assignments and transfers to or in favour of ATB of all or any property, real or personal, moveable or immovable, owned by You or in which You may have any interest, and any other documents or contracts necessary to give or furnish to ATB the Security required by ATB; (c) own and maintain the Security in good condition and free of all encumbrances other than any permitted encumbrances as detailed in the Credit Agreement and those non-financial encumbrances which do not materially adversely affect market value in ATB's opinion; (d) not grant or allow to be created any subsequent liens or encumbrances of any kind on the Security; (e) unless the Security is land, not allow the Security to become affixed to land; (f) pay the cost of the registration and filing and gathering of evidence about the priority of ATB's Security; (g) advise ATB immediately of any sale of the Security (other than in the ordinary course of business), change in location of the Security, material loss or damage to the Security, change in Your or a Guarantor's name, or claims or litigation affecting You or the Security; (h) provide to Us any information We request about Your business, financial condition or Your property and any other relevant information We may require from time to time to allow Us to conduct a review of Your Credit Facilities; (i) allow Us access to Your premises at any time to inspect the Security; (j) maintain insurance in respect to the Security for the full insurable value of the Security, with first loss payable to ATB and containing a standard mortgage clause (if applicable) until Your Credit Facilities are repaid in full. If You fail to do so, You agree

to pay the cost of any insurance We may choose to obtain or renew; (k) provide to ATB all the other agreements that relate to this Credit Agreement; and (l) comply with all laws and regulatory requirements that relate to the operation of Your business and Your ownership of the Security.

20. Fair Trading Act

If applicable, You agree to waive the 2-day time period for delivery of the *Fair Trading Act* disclosure statement. If applicable, You may notify ATB, in writing, of Your intention to withdraw from the Credit Agreement within 2 days of signing it and if You withdraw, You have the right to be relieved from any obligations under this Credit Agreement and receive a refund of any payments made except any of the following fees which may have been incurred by ATB and charged to You: (a) search or registration costs paid to a registry or agent; (b) fees for any inspection, appraisal, survey or environmental audit report obtained by You and used by ATB; (c) mortgage insurance premium on a high ratio mortgage and (d) casualty insurance premium.

21. Security Agreement

The mortgage (if any) and security interest granted by You to ATB, whether granted previously, now or in the future, and whether direct or indirect, contingent or matured, secure payment and performance of all Your debts, obligations and liabilities to ATB. The time for the attachment of any security interest created has not been delayed. You acknowledge that You have waived the right to receive any financing statement, financing change statement, verification statement and any other document required pursuant to the *Personal Property Security Act* (Alberta).

22. Events of Default

Without restricting ATB's right to demand payment at any time as described in the Credit Agreement, ATB may, by notice to You, terminate any or all of the Credit Facilities and demand immediate payment and, failing such immediate payment, ATB may realize under the Security as ATB thinks fit in any of the following events: (a) You or a Guarantor fails to pay Us, when due, any sum (or part thereof) required or fails to observe or perform, when due, any obligation due to ATB; (b) You or a Guarantor fails to comply with the terms of the Credit Agreement or any other agreement You or the Guarantor have with ATB; (c) You or a Guarantor becomes insolvent or becomes subject to the provisions of any legislation for the benefit of Your or the Guarantor's creditors, as applicable; (d) You or a Guarantor sells any of the Security except in the ordinary course of business; (e) in ATB's opinion, any

material adverse change occurs in Your or a Guarantor's financial condition or the ownership and operation of Your or a Guarantor's business, management, prospects, assets, liabilities or condition, financial or otherwise; (f) any representation You or a Guarantor makes to Us or to any government agency is false in any material way; (g) any guarantee is withdrawn, determined to be invalid or made ineffective for any reason; (h) if Your or a Guarantor's control ceases to be vested, either directly or indirectly, in the original shareholders disclosed to ATB. In the foregoing, "**control**" means the right to elect a majority of the board of directors of the Borrower or the Guarantor, as applicable; (i) if a judgment is entered against You or a Guarantor; (j) if any action is taken to wind up Your or a Guarantor's affairs or to put You or a Guarantor into bankruptcy or to appoint a receiver for You or a Guarantor or any of your respective properties; (k) if You or a Guarantor ceases to carry on your business or make a bulk sale of your assets; (l) any other creditor takes collection steps against You or the Guarantor; (m) if any of the authorizations, registrations, licenses, permits or approvals required to be obtained from or granted by any governmental authority or agency and essential to the business of the Borrower or Guarantor or required by legislation is not obtained or granted or, if obtained, is withdrawn, cancelled, suspended or adversely amended; or (n) if the Borrower or Guarantor fails to comply, at any time, with any applicable legislation, regulation, authorization, registration, license, permit or approval concerning the operation of its business (each item (a) through and including (n) constituting an "**Event of Default**").

23. Remedies

We have the right to require immediate payment of the Credit Facilities at any time and, at ATB's option, to exercise any of the remedies below, and, if an Event of Default occurs, We have the right, at ATB's option, to: (a) declare all or any amounts which are not by their terms payable upon demand, to be immediately due and payable; (b) reduce the amount of, or terminate, any Credit Facility; (c) demand that You immediately pay back the full amount You owe Us; (d) seize the Security and dispose of same in any way permitted by law. This includes the right to take possession, sell or lease, foreclose, seize and keep the Security. If the proceeds from the sale or the value of property seized or foreclosed is not enough to repay all amounts You owe to ATB, You must pay any remaining amount; (e) refuse to make any more advances or provide any financial services to You; (f) declare You to be in default

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under any other agreement with ATB; (g) automatically debit any of Your accounts with ATB for all amounts payable by You pursuant to this Credit Agreement; (h) insure, maintain, repair, preserve, and/or prepare for disposition of the Security and any cost incurred to do so can be added to the amount You owe Us; and (i) invoke any other rights permitted by law.

24. Assignment

The Credit Agreement is binding upon You and any person who succeeds You including Your executors, administrators, heirs, successors and permitted assigns. You cannot assign this Credit Agreement unless You obtain the express written consent of ATB; however, such consent may be unreasonably withheld. ATB can assign this Credit Agreement without Your consent or knowledge.

25. Governing Law

The Credit Agreement is governed by the laws of Alberta and You agree that any dispute thereunder will be determined by the Courts of Alberta.

26. Information Sharing and Credit Bureaus

You agree that ATB may share Your credit information with credit-reporting agencies. You agree that ATB may also obtain credit information in respect of the Borrower under this Credit Agreement from such agencies. If you are a principal of the Borrower or a guarantor, as evidenced by Your signature upon the Credit Agreement, then, in Your personal capacity, You agree that ATB may also share Your respective Personal Information with such agencies. ATB will collect, use and disclose such Personal Information in accordance with ATB's Privacy Statement and Privacy Code which are available online at www.atb.com. Personal Information we collect, use and/or disclose may be stored in the United States. You may access ATB's Out of Canada Service Providers Statement at www.atb.com under the heading Privacy and Security. If You have questions about the collection, use or disclosure of Your Personal Information outside Canada, You may contact ATB's Chief Privacy Officer at (780) 408-7588 or by e-mail: PrivacyOfficer@atb.com.

27. Notices

We may send You monthly statements (if applicable), notices or demands for payment to the latest address We have for You on our records. Any statement, notice or demand shall be deemed to be received by You on the date received (if delivered personally) or the fifth day after We have mailed it to You (if mailed). If more than one of You has signed the Credit Agreement,

communication to any one of You is deemed to be communication to all.

28. Positive Covenants

You and each Guarantor, to the extent required hereunder, covenant with ATB that so long as You and each Guarantor are indebted or otherwise obligated to ATB, contingently or otherwise, You and each Guarantor will do and perform the following covenants; if any such covenant is to be done or performed by a Guarantor, You also covenant with ATB to cause the Guarantor to do or perform such covenant: (a) pay and remit all sums when due to tax and other governmental authorities including, without restriction, any sums in respect of employees, and provide proof to ATB upon request; (b) provide ATB with such information and documentation as We may require from time to time in respect of the collection and payment of GST including, without restriction, information concerning the amount of taxable supplies, GST collected, input tax credits received and GST paid during each reporting period; (c) forward to ATB the copy of any GST election forms filed with Canada Revenue Agency; (d) if a Guarantor is providing any Security, the Guarantor shall provide any financial statements or personal net worth statements requested by ATB; and (e) if a Credit Facility is secured by a corporate guarantee, the Guarantor will comply with all notice or other requirements under the applicable *Business Corporations Act*.

29. Negative Covenants

You and each Guarantor, to the extent required hereunder, covenant with ATB that while You and each Guarantor are indebted or otherwise obligated to ATB, contingently or otherwise, You and each Guarantor will not do any of the following without the prior written consent of ATB, which may be unreasonably withheld or delayed; if a Guarantor is not to do an act, You also covenant with ATB not to permit a Guarantor to do any such act: (a) amalgamate with anybody else or voluntarily wind up the affairs of the Borrower or Guarantor; (b) sell, lease or dispose of any assets except: (i) inventory being sold in the ordinary course of business, (ii) assets sold, transferred or disposed of to You or a Guarantor (but only if the Guarantor has provided a general security agreement or similar security in favour of ATB); (c) borrow money from or grant security to anybody other than ATB; (d) pay to or for the benefit of shareholders or persons associated with shareholders (within the meaning of the *Business Corporations Act* (Alberta)) by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise, any amount which would cause the breach of a provision hereof.

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30. Miscellaneous

(a) You authorize and direct ATB to automatically debit any of Your accounts with ATB for all amounts payable by You to ATB pursuant to this Credit Agreement. (b) Without restriction, ATB may waive the satisfaction, observance or performance of any of the conditions or covenants contained in this Credit Agreement. Except to the extent that such waiver relates to an obligation of a Guarantor, the obligations of the Guarantor will not be diminished, discharged or otherwise affected by or as a result of any such waiver. (c) Where more than one individual or entity signs the Credit Agreement as the Borrower (or as Guarantor), each party is jointly and severally liable for any obligation thereunder and ATB may require payment of all amounts payable under this Credit Agreement from any one or more of them. (d) Unless defined herein, capitalized terms used herein shall have the respective meanings given to them in the Credit Agreement. (e) Wherever the term Guarantor appears, it is to be understood to apply only when there is a Guarantor to the Credit Facility or a continuing guarantee is required as Security. (f) Except as specifically amended by this Credit Agreement, all of the terms, provisions, covenants, security and other conditions contained in previous loan documents between ATB and the Borrower, with or without the Guarantor, remain unamended and in full force and effect, and this Credit Agreement, the Security and the indebtedness herein are each hereby ratified and confirmed. (g) Except as otherwise provided in the Credit Agreement, if any provision of these Standard Terms and Conditions is in conflict with, or inconsistent with, any provision of a previous commitment letter or other credit agreement, the provisions contained in these Standard Terms and Conditions shall govern. (h) If audited financial statements are not currently required, ATB reserves the right to require audited financial statements. (i) ATB will open and maintain accounts and records evidencing the Credit Facilities made available to You by ATB under the Credit Agreement. ATB will record the principal amount of each Credit Facility and the payment of principal, interest, fees and all other amounts due to ATB under the Credit Agreement. ATB's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of You and the Guarantor to ATB in accordance with the Credit Agreement. (j) No event has occurred which constitutes or which with notice, lapse of time or both would constitute a breach of any provision of this Credit Agreement or any Security provided in connection herewith. (k) Within the term of the Credit Facility or Credit Facilities, as applicable, ATB may issue (in accordance with the

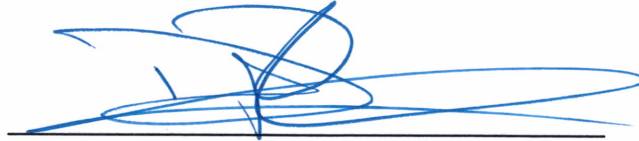
notice provisions herein contained) a renewal offer, presenting various options for the renewal of such Credit Facility or Credit Facilities. Provided the Credit Facility is (or the Credit Facilities are, as applicable) not then in default and the balance of the principal, interest and other sums due and payable thereunder are not paid in full, then the Credit Facility (or Credit Facilities, as applicable) shall be renewed based upon the terms and conditions in such renewal offer as selected by ATB (in its sole discretion) and the terms and conditions of this Credit Agreement, as amended by such renewal offer, will otherwise continue in full force and effect. (l) Time shall be of the essence in the Credit Agreement complete with its appendices and schedule (Business Loan Credit Agreement Standard Terms and Conditions).

THIS IS EXHIBIT "B"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025

A handwritten signature in blue ink, consisting of several overlapping loops and lines, positioned above a horizontal line.

Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

LAND TITLES ACT
COLLATERAL MORTGAGE

ay Paul Herbert and Carolyn Joan Herbert (the "Mortgagor") has become or may hereafter become indebted, obligated or whether directly or indirectly, absolutely or contingently, to ATB Financial, previously Alberta Treasury Branches at 100, 2018 vood Dr. Sherwood Park, Alberta T8A 5V3, Alberta (the "Mortgagee").

lateral security for the payment by the Mortgagor of any sums required to be paid from time to time to the Mortgagee and the nance of any covenants and obligations of the Mortgagor to the Mortgagee to be performed from time to time, the Mortgagor has to execute and deliver this mortgage.

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

AL DESCRIPTION

INDIAN 4 RANGE 20 TOWNSHIP 43

ION 26

RTER SOUTH EAST

AINING 64.7 HECTARES (160 ACRES) MORE OR LESS

PTING THEREOUT:

ECTARES (6.25 ACRES) MORE OR LESS AS SHOWN ON

WAY PLAN 1983AJ AND BEING TAKEN FOR RIGHT OF WAY

HE CANADIAN NORTHERN RAILWAY COMPANY

PTING THEREOUT ALL MINES AND MINERALS

THE RIGHT TO WORK THE SAME

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

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.

COLLATERAL SECURITY

The Mortgagor hereby encumbers, mortgages and charges the Lands with payment of the Obligations, up to: (a) the principal amount of Four Hundred Fifty Thousand-----xx/100 dollars (\$450,000.00), 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.

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.

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 thereto, 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.

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(c) 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(e) 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.

IMPROVEMENTS TO BE 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".

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 inspectors 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.

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 solicitor 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.

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.

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, encumbrancee 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.

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.

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.

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.

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.

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 rents 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.

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.

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.

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.

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.

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.

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 received:
 - (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.

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.

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.

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 enure 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.

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.

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 2 day of March, 2018.

_____ *[Signature]* _____
 AS: Murray Paul Herbert[E1]

Carolyn Joan Herbert[E2]

_____ *[Signature]* _____
 AS: Per: [E3]
| [E4]

_____ _____
 AS: And per: [E5]
| [E6]

AFFIDAVIT OF EXECUTION

I, Deb Soch of Camrose, in the Province of Alberta, MAKE OATH AND SAY:

that I was personally present and did see Murray Paul Herbert and Carolyn Joan Herbert who is known to me be the person named in the within (or annexed) instrument, duly sign the instrument;

or

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

that the same was executed at Camrose, in the Province of Alberta, and that I am the subscribing witness thereto.

that I know the said person(s) named in paragraph 1 and each is in my belief of the full age of eighteen years.

WORN BEFORE ME at the City of Camrose, in the Province of Alberta this 2nd of March, 2018.

Handwritten signature

Andrea Tollefson

Handwritten signature

Commissioner for Oaths in and for the Province of Alberta) Deb Soch

(Print or Stamp Name Next to Signature)
(My Commission Expires April 20, 2019)

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY

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

I am an officer or a director of named in the within or annexed instrument.

I am authorized by the Corporation to execute the instrument without affixing a corporate seal.

WORN BEFORE ME at the of , in the Province of Alberta this of , 20 .

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 , in the Province of Alberta, MAKE OATH AND SAY:

I am an officer or a director of named in the within or annexed instrument.

I am authorized by the Corporation to execute the instrument without affixing a corporate seal.

WORN BEFORE ME at the of , in the Province of Alberta this of , 20 .

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

THIS IS EXHIBIT "C"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025



Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Security Agreement Non-Consumer

TO: ATB Financial, previously Alberta Treasury Branches
("ATB")

BRANCH: 100, 2018 Sherwood Dr. Sherwood Park, Alberta T8A 5V3

FROM: Murray Paul Herbert and Carolyn Joan Herbert (the "**Debtor**")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto (as such schedules may be amended or supplemented from time to time) 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 to and in favour of ATB:

- (i) a security interest and pledge in the personal property of the Debtor selected and referred to in Schedule "A"; and
- (ii) if so selected on Schedule "A", a mortgage by way of a floating charge on any and all present and after-acquired lands, real property, immovable property, leasehold property and other property, assets and undertaking of the Debtor not subject to the PPSA, 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

ATB Financial™

- (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.

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 "A" 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" and/or Schedule "B" 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 personal property 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 "A" 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. ATB may use the Collateral in any manner as it in its sole discretion deems advisable; and
- (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/her stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager. 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.

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. 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.

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. Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable.

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.

ATB Financial

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

- (a) For all purposes, including any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge (if any) created by this Agreement against any lands, real property, immoveable property and leasehold property (collectively, "Real Property") shall be crystallized and become a fixed charge:
 - (i) against any Real Property of the Debtor or in which the Debtor has an interest, upon the earlier of:
 - (A) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB and in either case ATB electing to crystallize the floating charge; or
 - (B) 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, whether under Section 8(a), (b), (c) or (d) hereof or otherwise; and
 - (ii) against certain specified Real Property of the Debtor or in which the Debtor has an interest, upon ATB taking any action to register the floating charge hereunder or any caveat, security notice or other instrument in respect thereof against such specified Real Property 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.
- (c) The crystallization of the floating charge (if any) created by this Agreement against any real property then owned or held by the Debtor or in which the Debtor then has an interest shall not operate so as to prevent the floating charge granted hereunder from attaching to any real property subsequently acquired by the Debtor or in which the Debtor subsequently acquires an interest and for greater certainty, the floating charge (if any) granted hereunder shall extend to such after-acquired real property, and on election by ATB, such floating charge shall thereupon crystallize.

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, to the extent required by ATB, 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.

SCHEDULE A

1. Description of Collateral:

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

- (a) All of the Debtor's present and after-acquired Personal Property, as well as a mortgage by way of a floating charge on all of the Debtor's lands, real property, immoveable property, leasehold property and other property, assets and undertaking not subject to the PPSA, 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.
- (b) All of the Debtor's present and after-acquired Personal Property.
- (c) All of the Debtor's present and after acquired personal property (including but not limited to Equipment, Inventory, Accounts, Chattel Paper, Documents of Title, Goods, Intangibles, Investment Property, Money and Fixtures) now or hereafter situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the lands and premises described on Schedule "B" hereto (or any other description by which such lands may be described) (the "Lands") and any proceeds thereof (including insurance proceeds), all present and future contracts for the supply of work or materials or provision of services relating to the construction, operation or maintenance of the Lands and the business or affairs carried on at or about the Lands, and all permits, licences and concessions relating to the ownership of the Lands or the operation of the business or affairs carried on at or about the Lands, as well as all documents, contracts, books of account and other books relating to or being records of or by which such are or may hereafter be secured, evidenced, acknowledged or made payable or relating to the Debtor's business, customers and clients.
- (d) All of the Debtor's present and after-acquired Personal Property except _____ :
- (e) 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.
- (f) 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.
- (g) All of the Debtor's present and after-acquired Inventory, wherever located.
- (h) The following described Personal Property:

- (i) 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.

(j) All of the Debtor's _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

2. 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>

3. Locations of Personal Property Collateral:

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

4. Permitted Encumbrances (if any):

**SCHEDULE B
DESCRIPTION OF LANDS**

THIS IS EXHIBIT "D"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025

A handwritten signature in blue ink, consisting of several overlapping loops and horizontal strokes, positioned above a solid horizontal line.

Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Pontin, Derek

Subject: FW: Fwd: [Ext Sender] FDMS FILE 003720 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN

----- Forwarded message -----

From: **Borschneck, Joanne (AAFC/AAC)** <joanne.borschneck@agr.gc.ca>

Date: Tue, Aug 29, 2023 at 4:10 PM

Subject: [Ext Sender] FDMS FILE 003720 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN

To: hgertner@atb.com <hgertner@atb.com>

Cc: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@agr.gc.ca>

Protected B / Protégé B

PROTECTED "B"

August 29, 2023

ATB Financial Attn: Heather Gertner

PO Box 6000

Calgary, Alberta T2A 6K2

hgertner@atb.com

NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN

AND FINANCIAL EXPERT

For Murray and Carolyn Herbert of Edberg, Alberta

File: 003720

You are hereby notified that an application has been made under Section 5(1)(a) of the *Farm Debt Mediation Act* (FDMA) by the following farmer:

Murray and Carolyn Herbert

PO Box 88

Edberg, Alberta, T0B 1J0

In view of the above mentioned application, a stay of proceedings pursuant to Section 7 of the FDMA is in effect until **September 27, 2023 at midnight.**

Please note the following important information with respect to the above-named farmer and the farm debt mediation process.

Next steps - A financial expert has been assigned on behalf of the FDMS to prepare a financial statement and assist the farmer to prepare a financial recovery plan. Once these reports are completed a qualified mediator will meet with the farmer and creditors. At this meeting a mutually acceptable arrangement between the farmer and the creditors will be sought.

Financial information request - To ensure amounts owed are taken into account during the financial review and reflected in the financial statement, creditors are asked to complete the enclosed Financial information request and return it within the next three (3) business days to:

Financial expert: Dennis Dey
Email: ddey@telusplanet.net
Fax: 403-631-3972
Telephone: 403-631-3971 or 403-559-4470

Tentative date of meeting - The mediation meeting is tentatively scheduled for **October 17, 2023**. Confirmation of the date and meeting logistics will be provided once the financial expert has consulted with the farmer and key creditors. If you have any issues with this date please contact the financial expert.

Rights of the farmer and creditors - During the stay of proceedings the rights of the farmer and the creditors remain substantially the same now as they did before the stay. The major exception is that creditors cannot realize on their security, recover their debt or take property out of the possession of the farmer. In turn, the farmer may not dispose of secured property without the approval of secured creditors nor use money obtained as a result of such disposal without the approval of the secured creditor. Secured creditors may also inspect or take an inventory of their security during the stay.

Appointment of guardian of assets - Effective immediately **Murray Herbert of Edberg, AB** is appointed guardian of the assets of the above-named farmer as required under section 16 of the FDMA. The guardian is required to comply with the enclosed Guardian Directives in addition to section 17(2) of the FDMA and any other directives issued by the administrator. This appointment is in effect until such time as it is terminated in writing by the administrator.

Creditors should contact the Farm Debt Mediation Service (FDMS) immediately if the actions of the farmer have jeopardized the assets.

Confidentiality of the process - The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above-named farmer has made application to the FDMS. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ... no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

Right to appeal - Section 15(2) of the FDMA states that a farmer or creditor may, in accordance with the regulations, appeal to an Appeal Board a decision of an administrator relating to the eligibility of a farmer to make an application, the extension or the termination of a stay of proceedings. If you believe the applicant is not a farmer or is not insolvent you can request a Notice of Appeal form from the FDMS office.

The Notice of Appeal must contain your name, the purpose of the appeal, the name of the farmer and a brief explanation of the grounds or reason for the appeal. The Notice of Appeal must be received by the FDMS office no later than 4:00 pm Central Standard Time on September 8th, 2023

You will be advised of any changes in the status of this file, including the date of the mediation meeting, as the review proceeds. In the meantime, if you have any questions concerning the FDMA, please do not hesitate to contact me or the FDMS office.

Sincerely,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3
Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3

Téléphone: 1-306-502-6586 | Télécopieur

joanne.borschneck@agr.gc.ca | aafc.fdmswest-smmeaouest.aac@agr.gc.ca

AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

--

Heather Gertner, she/her
Director, Business Asset Realization Team
Risk Advisory and Management
P.O Box 6000
Calgary, AB T2A 6K2
Mobile 403 489 9924
atb.com



If you have received this email in error, please let me know by return email so I can make sure it doesn't happen again. Because emails can contain confidential and privileged material, I'd ask for your help by deleting it and any attachments. Thanks!

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If you would like to unsubscribe from our updates, please use this URL - <http://www.atb.com/important-information/privacy-security/Pages/unsubscribe.aspx>

Pontin, Derek

Subject: FW: Fwd: [Ext Sender] FDMS FILE 003722 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN

----- Forwarded message -----

From: **Borschneck, Joanne (AAFC/AAC)** <joanne.borschneck@agr.gc.ca>
Date: Wed, Aug 30, 2023 at 9:14 AM
Subject: [Ext Sender] FDMS FILE 003722 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN
To: hgertner@atb.com <hgertner@atb.com>
Cc: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@agr.gc.ca>

Protected B / Protégé B

Protected B / Protégé

PROTECTED “B”

August 30, 2023

ATB Financial Attn: Heather Gertner

PO Box 6000

Calgary, Alberta T2A 6K2

hgertner@atb.com

**NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN
AND FINANCIAL EXPERT**

For 2175551 AB Ltd. of Edberg, Alberta

File: 003722

You are hereby notified that an application has been made under Section 5(1)(a) of the *Farm Debt Mediation Act* (FDMA) by the following farmer:

2175551 AB Ltd.

PO Box 173

Edberg, Alberta, T0B 1J0

In view of the above mentioned application, a stay of proceedings pursuant to Section 7 of the FDMA is in effect until **September 27, 2023 at midnight.**

Please note the following important information with respect to the above-named farmer and the farm debt mediation process.

Next steps - A financial expert has been assigned on behalf of the FDMS to prepare a financial statement and assist the farmer to prepare a financial recovery plan. Once these reports are completed a qualified mediator will meet with the farmer and creditors. At this meeting a mutually acceptable arrangement between the farmer and the creditors will be sought.

Financial information request - To ensure amounts owed are taken into account during the financial review and reflected in the financial statement, creditors are asked to complete the enclosed Financial information request and return it within the next three (3) business days to:

Financial expert: Dennis Dey
Email: ddey@telusplanet.net
Fax: 403-631-3972
Telephone: 403-631-3971 or 403-559-4470

Tentative date of meeting - The mediation meeting is tentatively scheduled for **October 17, 2023**. Confirmation of the date and meeting logistics will be provided once the financial expert has consulted with the farmer and key creditors. If you have any issues with this date please contact the financial expert.

Rights of the farmer and creditors - During the stay of proceedings the rights of the farmer and the creditors remain substantially the same now as they did before the stay. The major exception is that creditors cannot realize on their security, recover their debt or take property out of the possession of the farmer. In turn, the farmer may not dispose of secured property without the approval of secured creditors nor use money obtained as a result of such disposal without the approval of the secured creditor. Secured creditors may also inspect or take an inventory of their security during the stay.

Appointment of guardian of assets - Effective immediately **Steven Herbert of Edberg, AB** is appointed guardian of the assets of the above-named farmer as required under section 16 of the FDMA. The guardian is required to comply with the enclosed Guardian Directives in addition to section 17(2) of the FDMA and any other directives issued by the administrator. This appointment is in effect until such time as it is terminated in writing by the administrator.

Creditors should contact the Farm Debt Mediation Service (FDMS) immediately if the actions of the farmer have jeopardized the assets.

Confidentiality of the process - The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above-named farmer has made application to the FDMS. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ... no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

Right to appeal - Section 15(2) of the FDMA states that a farmer or creditor may, in accordance with the regulations, appeal to an Appeal Board a decision of an administrator relating to the eligibility of a farmer to make an application, the extension or the termination of a stay of proceedings. If you believe the applicant is not a farmer or is not insolvent you can request a Notice of Appeal form from the FDMS office.

The Notice of Appeal must contain your name, the purpose of the appeal, the name of the farmer and a brief explanation of the grounds or reason for the appeal. The Notice of Appeal must be received by the FDMS office no later than 4:00 pm Central Standard Time on September 7th, 2023

You will be advised of any changes in the status of this file, including the date of the mediation meeting, as the review proceeds. In the meantime, if you have any questions concerning the FDMA, please do not hesitate to contact me or the FDMS office.

Sincerely,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3
Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3
Téléphone: 1-306-502-6586 | Télécopieur
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AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

--
Heather Gertner, she/her
Director, Business Asset Realization Team
Risk Advisory and Management
P.O Box 6000
Calgary, AB T2A 6K2
Mobile 403 489 9924
atb.com



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If you would like to unsubscribe from our updates, please use this URL - <http://www.atb.com/important-information/privacy-security/Pages/unsubscribe.aspx>

Pontin, Derek

Subject: FW: Fwd: [Ext Sender] FDMS FILE 003721 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN

----- Forwarded message -----

From: **Borschneck, Joanne (AAFC/AAC)** <joanne.borschneck@agr.gc.ca>
Date: Thu, Aug 31, 2023 at 4:26 PM
Subject: [Ext Sender] FDMS FILE 003721 - NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN
To: hgertner@atb.com <hgertner@atb.com>
Cc: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@agr.gc.ca>

Protected B / Protégé B

PROTECTED "B"

August 31, 2023

ATB Financial Attn: Heather Gertner

PO Box 6000

Calgary, Alberta T2A 6K2

hgertner@atb.com

**NOTICE OF STAY OF PROCEEDINGS AND APPOINTMENT OF GUARDIAN
AND FINANCIAL EXPERT**

For Apex Nutri-Solutions Inc. of Edberg, Alberta

File: 003721

You are hereby notified that an application has been made under Section 5(1)(a) of the *Farm Debt Mediation Act* (FDMA) by the following farmer:

Apex Nutri-Solutions Inc.

PO Box 173

Edberg, Alberta, T0B 1J0

In view of the above mentioned application, a stay of proceedings pursuant to Section 7 of the FDMA is in effect until **September 30, 2023 at midnight.**

Please note the following important information with respect to the above-named farmer and the farm debt mediation process.

Next steps - A financial expert has been assigned on behalf of the FDMS to prepare a financial statement and assist the farmer to prepare a financial recovery plan. Once these reports are completed a qualified mediator will meet with the farmer and creditors. At this meeting a mutually acceptable arrangement between the farmer and the creditors will be sought.

Financial information request - To ensure amounts owed are taken into account during the financial review and reflected in the financial statement, creditors are asked to complete the enclosed Financial information request and return it within the next three (3) business days to:

Financial expert: Dennis Dey
Email: ddey@telusplanet.net
Fax: 403-631-3972
Telephone: 403-631-3971 or 403-559-4470

Tentative date of meeting - The mediation meeting is tentatively scheduled for **October 17, 2023**. Confirmation of the date and meeting logistics will be provided once the financial expert has consulted with the farmer and key creditors. If you have any issues with this date please contact the financial expert.

Rights of the farmer and creditors - During the stay of proceedings the rights of the farmer and the creditors remain substantially the same now as they did before the stay. The major exception is that creditors cannot realize on their security, recover their debt or take property out of the possession of the farmer. In turn, the farmer may not dispose of secured property without the approval of secured creditors nor use money obtained as a result of such disposal without the approval of the secured creditor. Secured creditors may also inspect or take an inventory of their security during the stay.

Appointment of guardian of assets - Effective immediately **Steven Herbert of Edberg, AB** is appointed guardian of the assets of the above-named farmer as required under section 16 of the FDMA. The guardian is required to comply with the enclosed Guardian Directives in addition to section 17(2) of the FDMA and any other directives issued by the administrator. This appointment is in effect until such time as it is terminated in writing by the administrator.

Creditors should contact the Farm Debt Mediation Service (FDMS) immediately if the actions of the farmer have jeopardized the assets.

Confidentiality of the process - The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above-named farmer has made application to the FDMS. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ... no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

Right to appeal - Section 15(2) of the FDMA states that a farmer or creditor may, in accordance with the regulations, appeal to an Appeal Board a decision of an administrator relating to the eligibility of a farmer to make an application, the extension or the termination of a stay of proceedings. If you believe the applicant is not a farmer or is not insolvent you can request a Notice of Appeal form from the FDMS office.

The Notice of Appeal must contain your name, the purpose of the appeal, the name of the farmer and a brief explanation of the grounds or reason for the appeal. The Notice of Appeal must be received by the FDMS office no later than 4:00 pm Central Standard Time on September 8th, 2023

You will be advised of any changes in the status of this file, including the date of the mediation meeting, as the review proceeds. In the meantime, if you have any questions concerning the FDMA, please do not hesitate to contact me or the FDMS office.

Sincerely,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3
Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3

Téléphone: 1-306-502-6586 | Télécopieur

joanne.borschneck@agr.gc.ca | aafc.fdmswest-smmeaouest.aac@agr.gc.ca

AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

--

Heather Gertner, she/her
Director, Business Asset Realization Team
Risk Advisory and Management
P.O Box 6000
Calgary, AB T2A 6K2
Mobile 403 489 9924
atb.com



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If you would like to unsubscribe from our updates, please use this URL - <http://www.atb.com/important-information/privacy-security/Pages/unsubscribe.aspx>

THIS IS EXHIBIT "E"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025

A handwritten signature in blue ink, consisting of several overlapping loops and lines, positioned above a horizontal line.

Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Pontin, Derek

Subject: FW: FDMS FILE 003720 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS
(SUBJECT TO APPEAL)

From: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@AGR.GC.CA>
Sent: Monday, November 6, 2023 1:07 PM
To: joanne.borschneck@AGR.GC.CA
Subject: FDMS FILE 003720 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

[WARNING: EXTERNAL SENDER]

Protected B / Protégé B

PROTECTED 'B'
November 6, 2023

RE: NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

For Apex Nurti-Solutions Inc of Edberg, Alberta
File: 003721

This notice is given to advise that the Administrator of the Farm Debt Mediation Service is terminating the Stay of Proceedings under the Farm Debt Mediation Act (FDMA) for the above named applicant pursuant to section 14(2)(a)(i) of the FDMA because the majority of the creditors listed in the application refuse to participate in the mediation.

In accordance with section 14(4)(a) of the FDMA, the termination will take effect on the expiration of the time prescribed for filing an appeal of this decision under section 15, unless an Appeal is received.

PLEASE NOTE: Any appeal of this termination of the Stay of Proceedings must be received by the FDMS office no later than 4:00 pm Central Standard Time on November 16, 2023.

Under section 15 of the FDMA, you have a right to appeal this decision. If you wish to appeal, you may request a Notice of Appeal form from the Farm Debt Mediation Service (FDMS) office. The Notice of Appeal must include your name, the name of the applicant and a brief explanation of the reason for the appeal.

If an appeal is received, the FDMS will inform the applicant and all creditors. In the event of an appeal, pursuant to paragraph 14(4)(b) of the FDMA, the Stay of Proceedings will remain in effect unless the Appeal Board dismisses the appeal.

In the event that no appeal is received by the time prescribed above, the Administrator will send a Notice of Termination to the applicant and all creditors to confirm that the Stay of Proceedings has been terminated .

Creditors are advised against commencing or continuing any action against the applicant for the recovery of debt until notified by the Administrator that the Stay of Proceedings has been terminated .

The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Service. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as

follows: ...no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer , or knowingly allow any person to inspect or have access to any such information.

If you have any questions, please do not hesitate to contact me or the FDMS office.

Yours truly,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3

Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3

Téléphone: 1-306-502-6586 | Télécopieur

joanne.borschneck@agr.gc.ca | aafc.fdmwest-smmeaouest.aac@agr.gc.ca

AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

Pontin, Derek

Subject: FW: DMS FILE 003722 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

From: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@AGR.GC.CA>
Sent: Monday, November 6, 2023 1:21 PM
To: joanne.borschneck@AGR.GC.CA
Subject: DMS FILE 003722 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

[WARNING: EXTERNAL SENDER]

Protected B / Protégé B

PROTECTED 'B'
November 6, 2023

RE: NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)
For For 2175551 AB Ltd. of Edberg, Alberta
File: 003722

This notice is given to advise that the Administrator of the Farm Debt Mediation Service is terminating the Stay of Proceedings under the Farm Debt Mediation Act (FDMA) for the above named applicant pursuant to section 14(2)(a)(i) of the FDMA because the majority of the creditors listed in the application refuse to participate in the mediation.

In accordance with section 14(4)(a) of the FDMA, the termination will take effect on the expiration of the time prescribed for filing an appeal of this decision under section 15, unless an Appeal is received.

PLEASE NOTE: Any appeal of this termination of the Stay of Proceedings must be received by the FDMS office no later than 4:00 pm Central Standard Time on **November 16, 2023.**

Under section 15 of the FDMA, you have a right to appeal this decision. If you wish to appeal, you may request a Notice of Appeal form from the Farm Debt Mediation Service (FDMS) office. The Notice of Appeal must include your name, the name of the applicant and a brief explanation of the reason for the appeal.

If an appeal is received, the FDMS will inform the applicant and all creditors. In the event of an appeal, pursuant to paragraph 14(4)(b) of the FDMA, the Stay of Proceedings will remain in effect unless the Appeal Board dismisses the appeal.

In the event that no appeal is received by the time prescribed above, the Administrator will send a Notice of Termination to the applicant and all creditors to confirm that the Stay of Proceedings has been terminated .

Creditors are advised against commencing or continuing any action against the applicant for the recovery of debt until notified by the Administrator that the Stay of Proceedings has been terminated .

The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Service. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ...no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

If you have any questions, please do not hesitate to contact me or the FDMS office.

Yours truly,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada
301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3
Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388
joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada
300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3
Téléphone: 1-306-502-6586 | Télécopieur
joanne.borschneck@agr.gc.ca | aafc.fdmwest-smmeaouest.aac@agr.gc.ca

AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

Pontin, Derek

Subject: FW: FDMS FILE 003720 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS
(SUBJECT TO APPEAL)

From: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@AGR.GC.CA>
Sent: Monday, November 6, 2023 12:55 PM
To: joanne.borschneck@AGR.GC.CA
Subject: FDMS FILE 003720 -NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

[WARNING: EXTERNAL SENDER]

Protected B / Protégé B

PROTECTED 'B'
November 6, 2023

RE: NOTICE OF TERMINATION OF STAY OF PROCEEDINGS (SUBJECT TO APPEAL)

For Murray and Carolyn Herbert of Edberg, Alberta
File: 003720

This notice is given to advise that the Administrator of the Farm Debt Mediation Service is terminating the Stay of Proceedings under the Farm Debt Mediation Act (FDMA) for the above named applicant pursuant to section 14(2)(a)(i) of the FDMA because the majority of the creditors listed in the application refuse to participate in the mediation.

In accordance with section 14(4)(a) of the FDMA, the termination will take effect on the expiration of the time prescribed for filing an appeal of this decision under section 15, unless an Appeal is received.

PLEASE NOTE: Any appeal of this termination of the Stay of Proceedings must be received by the FDMS office no later than 4:00 pm Central Standard Time on November 16, 2023.

Under section 15 of the FDMA, you have a right to appeal this decision. If you wish to appeal, you may request a Notice of Appeal form from the Farm Debt Mediation Service (FDMS) office. The Notice of Appeal must include your name, the name of the applicant and a brief explanation of the reason for the appeal.

If an appeal is received, the FDMS will inform the applicant and all creditors. In the event of an appeal, pursuant to paragraph 14(4)(b) of the FDMA, the Stay of Proceedings will remain in effect unless the Appeal Board dismisses the appeal.

In the event that no appeal is received by the time prescribed above, the Administrator will send a Notice of Termination to the applicant and all creditors to confirm that the Stay of Proceedings has been terminated .

Creditors are advised against commencing or continuing any action against the applicant for the recovery of debt until notified by the Administrator that the Stay of Proceedings has been terminated .

The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Service. In this

regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ...no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

If you have any questions, please do not hesitate to contact me or the FDMS office.

Yours truly,

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3

Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

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Téléphone: 1-306-502-6586 | Télécopieur

joanne.borschneck@agr.gc.ca | aafc.fdmwest-smmeaouest.aac@agr.gc.ca


AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

THIS IS EXHIBIT "F"

REFERRED TO IN THE AFFIDAVIT OF

REHMAN MULJI

Sworn before me this 14th day of February, 2025



Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Pontin, Derek

Subject: FW: Fwd: [Ext Sender] FDMS FILE 003720 - NOTICE OF TERMINATION OF STAY OF PROCEEDINGS AND MEDIATION

----- Forwarded message -----

From: **Borschneck, Joanne (AAFC/AAC)** <joanne.borschneck@agr.gc.ca>

Date: Fri, Nov 17, 2023 at 6:41 AM

Subject: [Ext Sender] FDMS FILE 003720 - NOTICE OF TERMINATION OF STAY OF PROCEEDINGS AND MEDIATION

To: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@agr.gc.ca>

Protected B / Protégé B

PROTECTED "B"

November 17, 2023

Murray and Carolyn Herbert

PO Box 88

Edberg, Alberta T0B 1J0

mcherbert@mcsnet.ca

NOTICE OF TERMINATION OF STAY OF PROCEEDINGS AND MEDIATION
For Murray and Carolyn Herbert of Edberg, Alberta

File: 003720

With respect to the application of **Murray and Carolyn Herbert of PO Box 88, Edberg, Alberta, T0B 1J0** under section 5(1)(a) of the Farm Debt Mediation Act (FDMA), notice is given to advise that the Stay of Proceedings, related extensions and the role of the Farm Debt Mediation Service (FDMS) in facilitating an arrangement come to an end as of **November 16th, 2023 at midnight.**

The mediation is terminated in accordance with section 11(1) of the FDMA.

The farm debt mediation process is confidential. As such, creditors are not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Service. In this regard, we would like to draw your attention to Subsections 24(1) and 24(2) of the FDMA, which read as follows: ...no person shall knowingly communicate or knowingly allow to be communicated to any person any information obtained under this Act from a farmer or from any creditor of a farmer, or knowingly allow any person to inspect or have access to any such information.

If you have any questions, please do not hesitate to contact me or the FDMS office.

Joanne Borschneck

Agriculture and Agri-Food Canada | Government of Canada

301-2010 12th Avenue | Regina, Saskatchewan S4P 0M3
Telephone: 1-306-502-6586 | Facsimile: 1-833-902-8388

joanne.borschneck@agr.gc.ca | aafc.fdms-smmea.aac@agr.gc.ca

CONFIDENTIALITY NOTICE : The farm debt mediation process is confidential. As such, it is not permitted to communicate to others that the above named farmer has made application to the Farm Debt Mediation Act. This e-mail message and attachments (if any) are confidential. If you have received this communication in error, please delete it and notify us immediately. Thank you for your cooperation.

Agriculture et Agroalimentaire Canada | Gouvernement du Canada

300 – 2010 Avenue 12 | Regina, Saskatchewan S4P 0M3
Téléphone: 1-306-502-6586 | Télécopieur

joanne.borschneck@agr.gc.ca | aafc.fdmswest-smmeaouest.aac@agr.gc.ca

AVIS DE CONFIDENTIALITÉ : Le processus de médiation en matière d'endettement agricole est confidentiel. Ainsi, nul n'est autorisé à divulguer à d'autres parties sans autorisation que l'agriculteur susmentionné a présenté une demande en vertu de la Loi en matière d'endettement agricole. Ce courriel et ses pièces jointes (le cas échéant) sont confidentiels et réservés à l'usage exclusif du destinataire. Si vous avez reçu ce courriel par erreur, veuillez le supprimer et nous en informer immédiatement. Nous vous remercions de votre collaboration.

If you have received this email in error, please let me know by return email so I can make sure it doesn't happen again. Because emails can contain confidential and privileged material, I'd ask for your help by deleting it and any attachments. Thanks!

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If you would like to unsubscribe from our updates, please use this URL - <http://www.atb.com/important-information/privacy-security/Pages/unsubscribe.aspx>

THIS IS EXHIBIT "G"
REFERRED TO IN THE AFFIDAVIT OF
REHMAN MULJI

Sworn before me this 14th day of February, 2025



Derek Pontin, Barrister and Solicitor

**A COMMISSIONER FOR OATHS IN AND
FOR THE PROVINCE OF ALBERTA**

Subject: RE: Response of ATB Financial to Notice of Receipt of Appeal - Termination - File: 003720 - Murray and Carolyn Herbert of Edberg, Alberta

Date: 11/21/2023 10:21 AM

From: "Borschneck, Joanne (AAFC/AAC)" <joanne.borschneck@AGR.GC.CA>

To: "Kowalcze, Izzy" <izzy.kowalcze@dentons.com>, "fdms-smmea (AAFC/AAC)" <aafc.fdms-smmea.aac@agr.gc.ca>

Cc: "Pontin, Derek" <derek.pontin@dentons.com>, "Regush, John" <john.regush@dentons.com>

[WARNING: EXTERNAL SENDER]

Protected A / Protégé A

Good morning,

This file 003720 for Murray and Carolyn is now closed as of November 16, 2023, there was no appeal from the farmer on the termination sent out by our office.

We no longer have any dealings with this file.

Hope this helps,

thanks

Joanne Borschneck

306-502-6586

From: Kowalcze, Izzy <izzy.kowalcze@dentons.com>
Sent: Tuesday, November 21, 2023 11:15 AM
To: Borschneck, Joanne (AAFC/AAC) <joanne.borschneck@AGR.GC.CA>; fdms-smmea (AAFC/AAC) <aafc.fdms-smmea.aac@agr.gc.ca>
Cc: Pontin, Derek <derek.pontin@dentons.com>; Regush, John <john.regush@dentons.com>
Subject: Response of ATB Financial to Notice of Receipt of Appeal - Termination - File: 003720 - Murray and Carolyn Herbert of Edberg, Alberta

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.
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Hello,

Further to the above-captioned matter, enclosed please find correspondence from Mr. Derek Pontin.

Sincerely,

Izzy Kowalcze

Legal Assistant to Derek Pontin and John Regush

+1 403 268 6819

izzy.kowalcze@dentons.com | Bio | Website

Dentons Canada LLP | 15th Floor, Bankers Court, 850 - 2nd Street SW, Calgary, AB, T2P 0R8, Canada

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