Court File No.: CV-20-00650853-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE -(COMMERCIAL LIST)

B E T W E E N:

# 1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and CWB MAXIUM FINANCIAL INC.

Applicants

-and-

BLESS PHARMA INC., JG WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ COLBORNE PHARMA INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC., WESTWAY HOLDINGS INC., 4231 SHEPPARD AVENUE, BLESS JIMMY'S PHARMA INC., SJ EAST PHARMA INC., STONEY CREEK PHARMA INC., RESIDENT MEDICAL GROUP INC., ABU SEIFEIN BRIMLEY PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., 2503338 ONTARIO INC. and ST. MARY COOKSVILLE PHARMA INC.

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 C. B-3 AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C-43, AS AMENDED

> APPLICATION RECORD (VOLUME 1 OF 3)

November 2, 2020

# MILLER THOMSON LLP

Scotia Plaza 40 King Street West, Suite 5800 Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B** Tel: 416.595.8615 / Fax: 416.595.8695 Email: jcarhart@millerthomson.com

Asim Iqbal LSO#: 61884B Tel: 416.595.8596 / Fax: 416.595.8695 Email: aiqbal@millerthomson.com

Tamie Dolny LSO#: 77958U

416.597.6076 / Fax: 416.595.8695 Email: tdolny@millerthomson.com

Lawyers for the Applicants

# SERVICE LIST

TO:	MILLER THOMSON LLP	Jeffrey Carhart
	Scotia Plaza	Tel: 416.595.8615
	40 King Street West, Suite 5800	Email: jcarhart@millerthomson.com
	P.O. Box 1011	
	Toronto, ON Canada M5H 3S1	Asim Iqbal
		Tel: 416.597.6008
		Email: aiqbal@millerthomson.com
		Tamie Dolny
	I municipa four the Amelia meta	Tel: 416.597.6076
	Lawyers for the Applicants	Email: tdolny@millerthomson.com
AND	MSI SPERGEL INC.	Philip Gennis
TO:	120 Adelaide Street West	Tel: 416.498.4325
	Suite #2500 Toronto, ON	Email: PGennis@spergel.ca
	M5H 1T1	
		Mukul Manchanda
		Tel: 416.498.4314
	Proposed Receiver	Email: mmanchanda@spergel.ca
AND	WEISZ FELL KOUR LLP	Caitlin Fell
TO:	100 King Street West	Tel: 416.613.8282
	Suite 5600	Email: cfell@wfklaw.ca
	Toronto, ON	
	M5X 1C9	
	Lawyers for certain of the Debtors	
AND	DLA PIPER LLP	Edmond Lamek
TO:	Suite 6000, 1 First Canadian Place	Tel: 416.365.3444
10.	PO Box 367, 100 King St. W	Email: Edmond.lamek@dlapiper.com
	Toronto, ON	Linan. Lumond.namek@utapiper.com
	M5X 1E2	
	Lawyers for certain of the Debtors	
AND	MCKESSON CANADA CORPORATION	
TO:	6355 Viscount Road	
	Mississauga, ON	
	L4V 1W2	
AND	KOHL & FRISCH LIMITED	
TO:	7622 Keele Street	
	Concord, ON	
	L4K 2R5	

# SERVICE LIST

	To actual to the second second		
AND TO:	MINISTRY OF FINANCE Legal Services Br., 33 King Street West, 6th Floor PO Box 627, Stn. A Oshawa, ON L1H 8H5	Kevin J. O'Hara Email: kevin.ohara@fin.gov.on. Tel: 905-433-6934 Fax: 905-436-4510	
AND	DEPARTMENT OF JUSTICE	Diane H. A. Winters	
TO:	3400-130 King Street West Tax Section, PO Box 36, Exchange Tower Toronto, Ontario M5X 1K6	Tel: 416.973.3172 Fax: 416.973.0810 Email: <u>diane.winters@justice.gc.ca</u>	
AND TO:	Goldman, Sloan, Nash and Haber LLP Suite 1600 - 480 University Ave Toronto, ON M5G 1V2	Brendan Bissel Tel: 416.597.6489 Fax: 416.597.3370 Email: <u>bissell@gsnh.com</u>	
AND TO:	Lawyers for the Proposed Receiver JOHN GERGES #703 - 676 Sheppard Avenue East Toronto, ON M2K 3E7	Email: john.gerges01@gmail.com	
AND TO:	GAMAL FARID GERGES 14774 Woodbine Avenue Gormley, ON L0H 1G0		
AND TO:	SELVIA GERGES 14774 Woodbine Avenue Gormley, ON L0H 1G0		
AND TO:	SALLY G. GERGES 14774 Woodbine Avenue Gormley, ON L0H 1G0		
AND TO:	CHUN-HO CHAN 2 Scott Brown Street Markham, ON L6E 1V9		
AND TO:	SAMIR SHENODA 1543 Morse Place Milton, ON		

	L9T 5V4	
AND	DIEP NGUYEN	
TO:		
	#309 - 2088 Lawrence Avenue West	
	Toronto, ON	
	M9N 3Z9	
AND	SANDRA YOUSSEF	
TO:		
	676 Sheppard Avenue East	
	Suite #703	
	North York, ON	
	M2K 1B7	

# EMAIL ADDRESS LIST

aiqbal@millerthomson.com; tdolny@millerthomson.com; mmanchanda@spergel.ca; PGennis@spergel.ca; cfell@wfklaw.ca; Edmond.lamek@dlapiper.com; kevin.ohara@fin.gov.on.ca; diane.winters@justice.gc.ca; john.gerges01@gmail.com; bissell@gsnh.com

# Index

# ONTARIO SUPERIOR COURT OF JUSTICE -(COMMERCIAL LIST)

BETWEEN:

# 1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and CWB MAXIUM FINANCIAL INC.

Applicants

-and-

BLESS PHARMA INC., JG WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ COLBORNE PHARMA INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC., WESTWAY HOLDINGS INC., 4231 SHEPPARD AVENUE, BLESS JIMMY'S PHARMA INC., SJ EAST PHARMA INC., STONEY CREEK PHARMA INC., RESIDENT MEDICAL GROUP INC., ABU SEIFEIN BRIMLEY PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., 2503338 ONTARIO INC. and ST. MARY COOKSVILLE PHARMA INC.

Respondents

# APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 C. B-3 AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C-43, AS AMENDED

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# Tab 1

Court File No.: CV-20-00650853-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE -(COMMERCIAL LIST)

BETWEEN:

# 1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and CWB MAXIUM FINANCIAL INC.

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2503338 ONTARIO INC., 4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC., BLESS JIMMY'S PHARMA INC., BLESS PHARMA INC., JG WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RESIDENT MEDICAL GROUP INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ COLBORNE PHARMA INC., SJ EAST PHARMA INC., ST. MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC., WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC.

Respondents

# APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 C. B-3 AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C-43, AS AMENDED

# **NOTICE OF APPLICATION**

#### TO THE RESPONDENTS:

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

THIS APPLICATION will come on for a hearing on Monday, December 7, 2020, at 2:00p.m. at 330 University Avenue, Toronto, Ontario, via zoom video conference.

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



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

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

Date: November  $\frac{5}{2}$ , 2020

Issued by Christiana Irwin Department of Christiana Irwin Department of Christiana Irwin Department Representation of Auros our Clear Spectra Representation of Auros our Clear Spectra Irwin Department Representation of Christiana Irwin Department Repre

Address of 330 University Avenue, 9th floor court office Toronto, Ontario M5G 1R7

TO: See attached service list at "Schedule "A"

# APPLICATION

1. The Applicants make application (the "**Application**") for an Order substantially in the form attached hereto at **TAB 3** to the Application record, among other things, for the following relief:

- (a) abridging the time for service of this Application and the Application Record, and dispensing with service on any person other than those served;
- (b) appointing msi Spergel Inc. as receiver and manager ("Spergel" or the "Receiver") of all of the assets, undertakings and properties (collectively, the "Property") of 2503338 Ontario Inc., 4231 Sheppard Avenue East Inc., Abu Seifein Brimley Pharma Inc., Bless Jimmy's Pharma Inc., Bless Pharma Inc., JG Windsor Inc., Jimmy's Group Investors Inc., JM Westview Pharma Inc., Jubilee Property Investments Inc., Maple Medi Pharma Inc., Resident Medical Group Inc., River Hill Pharmacy Ltd., S&J Property Investors Inc., SJ Colborne Pharma Inc., SJ East Pharma Inc., St. Mary Cooksville Pharma Inc., St. Mary Theotokos Pharma Inc., Stoney Creek Pharma Inc., Toronto Apothecary Pharma Inc., Toronto Surrey Pharma Inc. and Westway Holdings Inc. (collectively, the "Debtors") acquired for, or used in relation to a business carried on by each of the Debtors, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, c. B-3, as amended (the "BIA"), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the "CJA"); and
- (c) such further and other relief as this Honourable Court may deem just.

# THE GROUNDS FOR THE MOTION ARE:

# Background

2. CWB Maxium Financial Inc., ("**CWB**") is a financial institution offering a broad range of financial services to a variety of industries, including pharmacies.

3. CWB holds a service agreement with 1951584 Ontario Inc. ("**195**"), successor of Desante Financial Services Inc. and Maxium Financial Services Inc. by amalgamation (collectively with CWB, the "Lender") such that employees of CWB administer 195's portfolio;

4. Each of the Debtors owns or operates a pharmacy, or owns the real estate on which a pharmacy is located. The Debtors are collectively indebted (as borrower, guarantor or both) to the Lender in the aggregate amount of \$25,907,513.06 plus interest, costs and fees (the "Indebtedness").

5. The Indebtedness is evidenced by nineteen (19) promissory notes issued over the course of 2015 to 2019 with the Lender, for a total original loan amount of \$\$25,907,513.06 (the "Loans");

6. John Gerges ("**John Gerges**"), an individual residing in Windsor, Ontario, is either a director, officer, or a sole or significant shareholder of 19 of the twenty-one (21) Debtors. The remaining two Debtors, 2503338 Ontario Inc. and St. Mary Cooksville Pharma Inc., provided unlimited corporate guarantees in respect of certain of the Loans;

7. John Gerges is also a guarantor of all of the Loans except for the promissory note with SJ East Pharma Inc.;

8. As security for the Debtors' respective obligations to the Lender, each of the Debtors granted a security interest in all of their respective assets, property, and undertaking pursuant to a general security agreement (collectively, the "General Security Agreements");

9. It is a term of each of the General Security Agreements that the Lender is entitled to appoint a receiver upon the occurrence of an event of default thereunder;

10. It is a term of each of the Loans signed by the Debtors that upon the occurrence any of the following events, the Lender is entitled to demand repayment of the indebtedness owing by such Debtor:

- (a) default in making any payment when due under the applicable promissory note or any other agreement between the applicable Debtor and the Lender;
- (b) a default occurs under any agreement under which indebtedness is owing or guaranteed by the Debtor; or

 (c) any circumstance changes or any event occurs which has or could have a material adverse effect on the Debtor's financial condition, business, assets, properties or prospects;

#### **EVENTS OF DEFAULT**

# (A) THE DEBTORS ARE IN DEFAULT UNDER THE LOAN AND SECURITY DOCUMENTS

11. On or about January 23, 2020, the Lender learned that John Gerges had been charged by the York Regional Police on or about December of 2019 with possession of a Schedule 1 substance (as defined in the federal *Controlled Drugs and Substances Act*) for the purpose of trafficking, and for possession of a forged document (the "**Criminal Charges**"). News reports indicated that the York Regional Police recovered more than \$500,000 in opioid pills, an illegal handgun, and \$200,000 in cash during their investigation of the alleged opioid trafficking ring;

12. Following the Criminal Charges, the counterparty to a material contract with certain of the Debtors under which a pharmacy facilitates direct billing to major insurance providers (the **"Telus Agreements"**) terminated such contracts. The Lender is of the view that, in light of the Criminal Charges, the remaining Telus Agreements still in place are at risk without a stay of proceedings.

13. Since the Criminal Charges, the Lender became aware that certain of the Debtors are operating without any liability insurance (the "Insurance Defaults");

14. Since the Criminal Charges, 14 out of the 19 Loans are in default for a failure to make payments when due and payable.

15. The Lender has demanded repayment of all of the Loans and has issued Notices of Intention to Enforce Security under s. 244 of the BIA to each of the Debtors (the "**BIA Notices**").

#### (B) ATTEMPTS TO CONSENSUALLY RESOLVE DISPUTE

16. As detailed in the Hopkinson Affidavit (as defined below), the Lender spent months attempting to work with the Debtors to consensually resolve the defaults.

17. During that time, the Lender experienced a pattern of behavior where representations or proposals are made by John Gerges on behalf of the Debtors only to later be told that such proposal is no longer available.

Despite months of efforts, no significant progress toward a viable arrangement was made.
 *Appointment of a Receiver*

19. The Lender has lost confidence in the Debtors' management.

20. It is just and convenient that the Court grant the relief sought herein;

21. The Applicants propose that Spergel be appointed as Receiver of the Property;

22. Spergel is a licensed trustee in bankruptcy and has consented to act as Receiver should the Court so appoint it;

23. The Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, including section 243;

24. The Courts of Justice Act, R.S.O. 1990, c. C.43, including section 101;

25. Rule 2.03, 14, and 38 of the Rules of Civil Procedure, R.R.O. 1990, Reg. 194, as amended;

26. Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

27. The Affidavit of Edward Hopkinson sworn October 29, 2020 (the "Hopkinson Affidavit");

28. The consent of Spergel to act as Receiver; and

29. Such further evidence as the lawyers may advise and this Honourable Court may permit.

November  $\frac{5}{2}$ , 2020

# MILLER THOMSON LLP

Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1

# **Jeffrey C. Carhart LSO#: 40947B** Tel: 416.595.8615

Email: jcarhart@millerthomson.com

# Asim Iqbal LSO#: 61884B

416.595.8596 Email: aiqbal@millerthomson.com

# Tamie Dolny LSO#: 77958U

416.597.6076 Email: tdolny@millerthomson.com

Fax: 416.595.8695

Lawyers for the Applicants

TO: The Service List Attached hereto as Schedule "A"

# **SCHEDULE** "A"

# SERVICE LIST

Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON Canada M5H 3S1 <i>Lawyers for the Applicants</i>	Jeffrey Carhart Tel: 416.595.8615 Email: jcarhart@millerthomson.com Asim Iqbal Tel: 416.597.6008 Email: aiqbal@millerthomson.com Tamie Dolny
P.O. Box 1011 Toronto, ON Canada M5H 3S1	Asim Iqbal Tel: 416.597.6008 Email: aiqbal@millerthomson.com
P.O. Box 1011 Toronto, ON Canada M5H 3S1	Tel: 416.597.6008 Email: aiqbal@millerthomson.com
	Tel: 416.597.6008 Email: aiqbal@millerthomson.com
Lawvers for the Applicants	Email: aiqbal@millerthomson.com
Lawyers for the Applicants	
Lawyers for the Applicants	Tamie Dolnv
Lawyers for the Applicants	1 V
Lawyers for the Applicants	Tel: 416.597.6076
Lawyers for the applicants	Email: tdolny@millerthomson.com
MSI SPERGEL INC.	Philip Gennis
120 Adelaide Street West	Tel: 416.498.4325
Suite #2500 Toronto, ON	Email: PGennis@spergel.ca
M5H 1T1	
	Mukul Manchanda
	Tel: 416.498.4314
Proposed Receiver	Email: mmanchanda@spergel.ca
WEISZ FELL KOUR LLP	Caitlin Fell
100 King Street West	Tel: 416.613.8282
Suite 5600	Email: cfell@wfklaw.ca
Toronto, ON	
M5X 1C9	
Lawyers for certain of the Debtors	
DLA PIPER LLP	Edmond Lamek
Suite 6000, 1 First Canadian Place	Tel: 416.365.3444
PO Box 367, 100 King St. W	Email: Edmond.lamek@dlapiper.com
Toronto, ON	
M5X 1E2	
Lawyers for certain of the Debtors	
MCKESSON CANADA CORPORATION	
6355 Viscount Road	
Mississauga, ON	
L4V 1W2	
KOHL & FRISCH LIMITED	
7622 Keele Street	
Concord, ON	
L4K 2R5	
	120 Adelaide Street West Suite #2500 Toronto, ON M5H 1T1 Proposed Receiver WEISZ FELL KOUR LLP 100 King Street West Suite 5600 Toronto, ON M5X 1C9 Lawyers for certain of the Debtors DLA PIPER LLP Suite 6000, 1 First Canadian Place PO Box 367, 100 King St. W Toronto, ON M5X 1E2 Lawyers for certain of the Debtors MCKESSON CANADA CORPORATION 6355 Viscount Road Mississauga, ON L4V 1W2 KOHL & FRISCH LIMITED 7622 Keele Street Concord, ON

AND	MINISTRY OF FINANCE	Kevin J. O'Hara
TO:	Legal Services Br.,	Email: kevin.ohara@fin.gov.on.ca
101	33 King Street West, 6th Floor PO Box 627,	Tel: 905-433-6934
	Stn. A	Fax: 905-436-4510
	Oshawa, ON L1H 8H5	
AND	DEPARTMENT OF JUSTICE	Diane H. A. Winters
TO:	3400-130 King Street West	Tel: 416.973.3172
201	Tax Section, PO Box 36, Exchange Tower	Fax: 416.973.0810
	Toronto, Ontario M5X 1K6	Email: diane.winters@justice.gc.ca
AND	Goldman, Sloan, Nash and Haber LLP	Brendan Bissel
TO:	Suite 1600 - 480 University Ave	Tel: 416.597.6489
	Toronto, ON	Fax: 416.597.3370
	M5G 1V2	Email: <u>bissell@gsnh.com</u>
	Lawyers for the Proposed Receiver	
AND	S&J PROPERTY INVESTORS INC.	
TO:	721 Comment Street Front	
	721 Gerrard Street East	
	Toronto, ON	
AND	M4M 1Y5 BLESS PHARMA INC.	
TO:	DLESS PHARIVIA INC.	
10:	721 Gerrard St E	
	Toronto, ON	
	M4M 1Y5	
AND	TORONTO APOTHECARY PHARMA	
TO:	INC.	
	842 Markham Road	
	Scarborough, ON	
	M1H 2Y2	
AND	<b>RIVER HILL PHARMACY LTD.</b>	
TO:		
	#1-2088 Lawrence Ave W	
	M9N 3Z9	
AND	JG WINDSOR INC.	
TO:	2700 T //	
	2780 Totten Street	
	Windsor, ON	
4 3 7 77-	N9B 1X8	
AND	BLESS JIMMY'S PHARMA INC.	
TO:	255 Proodview Ave	
	255 Broadview Ave	
	Toronto, ON	L

	M4M 2G6	
AND	JIMMY'S GROUP INVESTORS INC.	
TO:		
	255 Broadview Avenue	
	Toronto, ON	
AND	M4M 2G6 JM WESTVIEW PHARMA INC.	
TO:	JIVI WESTVIEW PHARMA INC.	
10.	#703 – 676 Sheppard Ave East	
	North York, ON	
	M2K 1B7	
AND	2503338 ONTARIO INC.	
TO:		
	14774 Woodbine Ave	
	Gormley, ON	
AND	L0H 1G0 TORONTO SURREY PHARMA INC.	
TO:	TORONTO SURRET PHARMA INC.	
10.	1715 Victoria Park Ave	
	Scarborough, ON	
	M1R 1R7	
AND	JUBILEE PROPERTY INVESTMENTS	
TO:	INC.	
	#11- 280 West Beaver Creek Rd. Richmond Hill, ON	
	L4B 3B1	
AND	RESIDENT MEDICAL GROUP INC.	
TO:		
	14774 Woodbine Avenue	
	Gormley, ON	
	LOH 1G0	
AND	WESTWAY HOLDINGS INC.	
TO:	160 The Westwey	
	160 The Westway Etobicoke, ON	
	M9P 2C1	
AND	MAPLE MEDI PHARMA INC.	
TO:		
	#10 - 2535 Major Mackenzie Drive	
	Maple, ON	
	L6A 1C6	
AND	4231 SHEPPARD AVENUE EAST INC.	
TO:	#702 676 Showneyd Arry Freet	
	#703 – 676 Sheppard Ave East	
	Toronto, ON M2K 3E7	

AND	SJ COLBORNE PHARMA INC.	
TO:		
	#2A - 164 Colborne Street West	
	Brantford, ON	
	N3T 1L2	
AND	STONEY CREEK PHARMA INC.	
TO:	200 Overseter Decil	
	800 Queenston Road Stoney Creek, ON	
	L8G 1A7	
AND	ST MARY THEOTOKOS PHARMA INC.	
TO:	ST MART THEOTOROST HARMA INC.	
10.	2554 Nichols Drive	
	Oakville ON	
	L6H 7L3	
AND	SJ EAST PHARMA INC.	
TO:		
	12 Elizabeth Street	
	Brighton, ON	
	K0K 1H0	
AND	JOHN GERGES	Email: john.gerges01@gmail.com
TO:		
	#703 - 676 Sheppard Avenue East	
	Toronto, ON M2K 3E7	
AND	GAMAL FARID GERGES	
TO:	GAMAL FARID GERGES	
10.	14774 Woodbine Avenue	
	Gormley, ON	
	L0H 1G0	
AND	SELVIA GERGES	
TO:		
	14774 Woodbine Avenue	
	Gormley, ON	
	LOH 1G0	
AND	SALLY G. GERGES	
TO:		
	14774 Woodbine Avenue	
	Gormley, ON	
AND	L0H 1G0 RAMACHANDRAN RAMAPATHY	
AND TO:		
10.	25 Palomino Crescent	
	Toronto, ON	
	M2K 1W2	
AND	CHUN-HO CHAN	
TO:		
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	2 Scott Brown Street	
	Markham, ON	
	L6E 1V9	
AND	SAMIR SHENODA	
TO:		
	1543 Morse Place	
	Milton, ON	
	L9T 5V4	
AND	DIEP NGUYEN	
TO:		
	#309 - 2088 Lawrence Avenue West	
	Toronto, ON	
	M9N 3Z9	
AND	SANDRA YOUSSEF	
TO:		
	676 Sheppard Avenue East	
	Suite #703	
	North York, ON	
	M2K 1B7	
AND	ABU SEIFEIN BRIMLEY PHARMA INC.	
TO:	127 Martanea Trail	
	127 Montezuma Trail	
	Agincourt, ON M1V 1K4	
AND	ST. MARY COOKSVILLE PHARMA INC.	
TO:	SI. MARI COORSVILLE I HARMA INC.	
10.	3035 Hurontario Street	
	Mississauga, ON	
	L5A 2G9	
AND	OLDE WALKERVILLE HOLDINGS INC.	
TO:		
	870 Erie Street East	
	Windsor, ON	
	N9A 3Y6	

# EMAIL ADDRESS LIST

aiqbal@millerthomson.com; tdolny@millerthomson.com; mmanchanda@spergel.ca; PGennis@spergel.ca; cfell@wfklaw.ca; Edmond.lamek@dlapiper.com; kevin.ohara@fin.gov.on.ca; diane.winters@justice.gc.ca; john.gerges01@gmail.com; bissell@gsnh.com

.

,

and **2503338 ONTARIO INC. et al.** Respondents

Court File No: CV-20-00650853-00CL

ONTARIO SUPERIOR COURT OF JUSTICE (Commercial List)

Proceeding commenced at Toronto

# NOTICE OF APPLICATION

MILLER THOMSON LLP

Scotia Plaza 40 King Street West, Suite 5800 Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO#: 40947B** Tel: 416.595.8615 Email: jcarhart@millerthomson.com

Asim Iqbal LSO#: 61884B 416.595.8596 Email: aiqbal@millerthomson.com

**Tamie Dolny LSO#: 77958U** 416.597.6076 Email: tdolny@millerthomson.com

Fax: 416.595.8695

Lawyers for the Applicants

# Tab 2

Court File No.: CV-20-00650853-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE -(COMMERCIAL LIST)

BETWEEN:

# 1951584 ONTARIO INC. (formerly DESANTE FINANCIAL SERVICES INC.) and CWB MAXIUM FINANCIAL INC.

Applicants

-and-

2503338 ONTARIO INC., 4231 SHEPPARD AVENUE EAST INC., ABU SEIFEIN BRIMLEY PHARMA INC., BLESS JIMMY'S PHARMA INC., BLESS PHARMA INC., JG WINDSOR INC., JIMMY'S GROUP INVESTORS INC., JM WESTVIEW PHARMA INC., JUBILEE PROPERTY INVESTMENTS INC., MAPLE MEDI PHARMA INC., RESIDENT MEDICAL GROUP INC., RIVER HILL PHARMACY LTD., S&J PROPERTY INVESTORS INC., SJ COLBORNE PHARMA INC., SJ EAST PHARMA INC., ST. MARY COOKSVILLE PHARMA INC., ST. MARY THEOTOKOS PHARMA INC., STONEY CREEK PHARMA INC., TORONTO APOTHECARY PHARMA INC., TORONTO SURREY PHARMA INC., WESTWAY HOLDINGS INC. and OLDE WALKERVILLE HOLDINGS INC.

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985 C. B-3 AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C-43, AS AMENDED

#### AFFIDAVIT OF EDWARD HOPKINSON

I, Edward Hopkinson, of the City of Bryn Mawr, in the State of Pennsylvania, United States of

# America, MAKE OATH AND SAYS AS FOLLOWS:

1. I am the VP Risk Officer of the Applicant, CWB Maxium Financial Inc., ("**CWB**"). CWB holds a service agreement with 1951584 Ontario Inc. ("**195**"), successor of Desante Financial Services Inc. and Maxium Financial Services Inc. by amalgamation (collectively with CWB, the "**Lender**"), such that employees of CWB administer 195's portfolio. I am primarily responsible for monitoring the Loans (defined below) provided by the Lender to the Debtors described in this affidavit.

2. As such, I have knowledge of the matters to which I hereinafter depose. Where the source of my information is other than myself I have set out the source and do verily believe it to be true.

3. This Affidavit is sworn in support of an application for an order in the form attached at Tab 3 of the Application Record, among other things, appointing msi Spergel Inc. ("**Spergel**" or the "**Receiver**") as receiver and manager of all of the assets, undertakings, and properties (collectively, the "**Property**") of the Respondents (also sometimes hereinafter referred to collectively as the "**Debtors**" and individually as a "**Debtor**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended.

# THE PARTIES

# The Lender

4. The Lender is a financial institution offering a broad range of financial services to a variety of industries, including pharmacies. In or around March of 2016, Canadian Western Bank Group announced the completion of its acquisition of the business of Maxium Financial Inc. and Desante

Financial Services Inc. (collectively, the "**Maxium Group**"). The Maxium Group now operates collectively as "CWB Maxium Financial Inc."

# . The Debtors

5. Each of the Debtors owns or operates a pharmacy, or owns the real estate on which a pharmacy is or was located. According to the Lender's records, below are each of the Debtors and their respective directors, officers and shareholders:

Entity	Directors	Officers	Shareholders
1. 4231 Sheppard	John Gerges - Director	John Gerges – President, Secretary,	100% John Gerges
Avenue East Inc.		Treasurer	
("Debtor 1")			
2. Bless Jimmy's	John Gerges - Director	John Gerges- President	51% John Gerges
Pharma Inc.		Gamal Gerges- Secretary	19% Gamal Gerges
("Debtor 2")		Xuzan Nana - Treasurer	10% Selvia Gerges
			10% Sally Gerges
			10% Suzan Nana
3. Bless Pharma Inc.	John Gerges – Director	John Gerges - President, Secretary,	51% John Gerges
("Debtor 3")		Treasurer	49% Gamal Gerges
4. JG Windsor Inc.	John Gerges – Director	John Gerges - President, Secretary,	100% John Gerges
("Debtor 4")		Treasurer	
5. Jimmy's Group	Gamal Gerges - Director	Gamal Gerges – President	51% John Gerges
Investors Inc.		Sally Gerges – Treasurer	19% Gamal Gerges
("Debtor 5")		Selvia Gerges – Secretary	10% Selvia Gerges
			10% Sally Gerges
			10% Suzan Nana
6. JM Westview Pharma	Diep Nguyen - Director	Diep Nguyen – President,	100% John Gerges
Inc.		Secretary, Treasurer	
("Debtor 6")			
7. Jubilee Property	John Gerges - Director	John Gerges - President, Secretary,	100% John Gerges
Investments Inc.	-	Treasurer	_
("Debtor 7")			
8. Maple Medi Pharma	Chun-Ho Chan – Director	Chun-Ho Chan – President,	90% John Gerges
Inc.		Secretary, Treasurer	10% Chun-Ho Chan
("Debtor 8")			
9. River Hill Pharmacy	Diep Nguyen – Director	Diep Nguyen – President,	100% John Gerges
Ltd.		Secretary, Treasurer	-
(" <b>Debtor 9</b> ") <sup>1</sup>			

<sup>&</sup>lt;sup>1</sup> The Lender entered into the promissory note in respect of the loan to Debtor 9 with Bless River Pharma Inc., a predecessor by amalgamation of Debtor 9.

Entity	Directors	Officers	Shareholders
10. S&J Property	Gamal Gerges – Director	Gamal Gerges – President,	51% John Gerges
Investors Inc.		Secretary, Treasurer	49% Gamal Gerges
("Debtor 10")			
11. SJ Colborne Pharma	Samir Shenoda – Director	Samir Shenoda – President,	50% John Gerges
Inc.		Treasurer, Secretary	50% Samir Shenoda
("Debtor 11")			
12. Toronto Apothecary	Diep Nguyen – Director	Diep Nguyen – President,	100% John Gerges
Pharma Inc.		Secretary, Treasurer	
("Debtor 12")			
13. Toronto Surrey	John Gerges – Director	Diep Nguyen – President,	100% John Gerges
Pharma Inc.	Diep Nguyen – Director	Secretary, Treasurer	
("Debtor 13") <sup>2</sup>			
14. Westway Holdings	Ramapathy	N/A	95% John Gerges
Inc.	Ramachandran – Director		5% Ramapathy
("Debtor 14") <sup>3</sup>			Ramachandran
15. Resident Medical	Linh Tran – Director	Selvia Gerges – President,	50% Selvia Gerges
Group Inc.		Secretary, Treasurer	50% Sally Gerges
("Debtor 15")			
16. Stoney Creek	Diep Nguyen – Director	Diep Nguyen – Treasurer,	100% - Diep Nguyen
Pharma Inc.		President, Secretary	
("Debtor 16")			
17. SJ East Pharma Inc.	Diep Nguyen – Director	Diep Nguyen – President,	100% - Diep Nguyen
("Debtor 17")		Secretary, Treasurer	
18. Abu Seifein Brimley	Sandra Yousef – Director	Sandra Yousef – President,	100% - Sandra
Pharma Inc.		Secretary, Treasurer	Yousef
("Debtor 18")			
19. St. Mary Theotokos	John Gerges – Director	John Gerges – President, Secretary	100% Diep Nguyen
Pharma Inc.	Diep Nguyen - Director	Diep Nguyen - Treasurer	
("Debtor 19")			
20. Olde Walkerville	Ramachandran	Ramachandran Ramapathy –	90% - Ramachandran
Holdings Inc. Ramapathy – Director		President, Secretary, Treasurer	Ramapathy <sup>4</sup>
("Debtor 20")			

 <sup>&</sup>lt;sup>2</sup> A Guarantee in favour of the Lender for Debtor 13 is from its predecessor entity Surrey Drug Mart Ltd.
 <sup>3</sup> A Guarantee in favour of the Lender for Debtor 14 is from its predecessor entity St. Marina and St. Abraam Ltd.
 <sup>4</sup> The shareholdings of Debtor 20 are unclear, but the Lender's records show that Ramachandran Ramapathy holds at least 90% of the shares.

- 6. John Gerges is one or more of the following in connection with Debtors 1 19:
  - (a) a director (for Debtors 1 4, 7, 13 and 19);
  - (b) an officer (for Debtors 1 4, 7 and 19);
  - (c) a sole or significant (50% or more) shareholder (for Debtors 1 14); or
  - (d) a Guarantor (as defined below) (for Debtors 1 16 and 18 19).

7. I have been further advised by Ramachandran Ramapathy, the sole director of Debtor 20, that John Gerges acts as a representative for Debtor 20 and is authorized to communicate to the Lender on behalf of Debtor 20.

8. Copies of corporate profile reports of the Debtors are attached as **Exhibit A**.

9. The individuals and corporations listed below provided guarantees in respect of the Loans pursuant to unlimited guarantees (the "**Guarantors**"). The specifics of which Loans are guaranteed by each of the Guarantors is set out in paragraph 11 below:

- (a) The corporate Guarantors are:
  - (i) 2503338 Ontario Inc. ("250") (John Gerges is the sole director and officer of 250);
  - (ii) St. Mary Cooksville Pharma Inc. ("SMCPI") (Sandra Youssef is the sole director and officer; according to the Lender's records, 100% of the shares of SMCPI is held by Sandra Youssef);
  - (iii) Debtors 1 3;
  - (iv) Debtor 5;
  - (v) Debtors 12 13; and
  - (vi) Debtor 15.

- (b) The personal Guarantors are:
  - (i) John Gerges;
  - (ii) Sandra Youssef ("Sandra Youssef");
  - (iii) Gamal F. Gerges ("Gamal Gerges");
  - (iv) Selvia G. Gerges ("Selvia Gerges");
  - (v) Sally Gerges ("Sally Gerges");
  - (vi) Chun-Ho Chan ("Chun-Ho Chan");
  - (vii) Samir Shenoda ("Samir Shenoda");
  - (viii) Ramachandran Ramapathy ("Ramachandran Ramapathy");
  - (ix) Diep Nguyen ("Diep Nguyen"); and
  - (x) Chin-To Yuen ("Chin-To Yuen").
- 10. Copies of the guarantees executed by the Guarantors are attached as **Exhibit B**.

# THE LOANS

11. Between 2015 and 2019, the Lender extended the following loans to the Debtors, which are evidenced by promissory notes in favour of the Lender (the "**Loans**"). The table below sets out the Debtor, the Guarantors and the principal amount of each of the Loans. The aggregate principal

amount of approximately \$25,907,513.06, plus unpaid and accruing interest, costs and fees until the date of repayment is outstanding under the Loans:

EXECUTION DATE(S)	LENDER	DEBTOR	CORPORATE GUARANTORS	PERSONAL GUARANTOR	ORIGINAL LOAN PRINCIPAL AMOUNT
October 21, 2019	CWB	Debtor 1	Debtor 15	John Gerges	\$260,450.00
March 15, 2015	195	Debtor 2	Debtor 5, Debtor 3	John Gerges, Selvia Gerges and Gamal Gerges	\$750,450.00
June 3, 2019	CWB	Debtor 3	Debtor 10, Debtor 12	John Gerges and Gamal Gerges	\$518,331.96
May 27, 2015	CWB	Debtor 4	Bless JG Pharma Inc. <sup>5</sup>	John Gerges	\$410,847.50
March 15, 2015	195	Debtor 5	Debtor 2, Debtor 3	John Gerges, Selvia Gerges and Gamal Gerges	\$475,450.00
August 2, 2018	CWB	Debtor 6	N/A	John Gerges	\$762,022.01
November 5, 2017	CWB	Debtor 7	Debtor 15, Debtor 3	Selvia Gerges, Sally Gerges and John Gerges	\$300,450.00
May 25, 2018	CWB	Debtor 8	Debtor 3	John Gerges and Chun- Ho Chan	\$1,590,450.00
August 28, 2015	CWB	Debtor 9	N/A	John Gerges	\$150,000.00
August 28, 2015	CWB	Debtor 9	N/A	John Gerges	\$953,597.50
June 3, 2019	CWB	Debtor 10	Debtor 3	John Gerges and Gamal Gerges	\$497,064.09
December 24, 2019	CWB	Debtor 11	N/A	Samir Shenoda and John Gerges	\$3,075,450.00
March 11, 2016	CWB	Debtor 12	250, Debtor 13, Debtor 3	John Gerges	\$720,450.00
March 30, 2016	CWB	Debtor 13	Debtor 12, Surrey Drug Mart Ltd. <sup>6</sup>	John Gerges	\$950,450.00
January 22, 2018	CWB	Debtor 14	St. Marina & St. Abraam Ltd. <sup>7</sup>	Ramachandra Ramapathy and John Gerges	\$900,450.00
February 26, 2016	CWB	Debtor 15	Debtor 1, Debtor 3, Debtor 10	Sally Gerges, Selvia Gerges and John Gerges	\$730,450.00

<sup>&</sup>lt;sup>5</sup> Bless JG Pharma Inc. is not a respondent to this application.

<sup>&</sup>lt;sup>6</sup> Surrey Drug Mart Ltd. is a predecessor entity of Debtor 13.

<sup>&</sup>lt;sup>7</sup> St. Marina & St. Abraam Ltd. is a predecessor entity of Debtor 14.

EXECUTION DATE(S)	LENDER	DEBTOR	CORPORATE GUARANTORS	PERSONAL GUARANTOR	ORIGINAL LOAN PRINCIPAL AMOUNT
March 2, 2017	CWB	Debtor 15	Debtor 1, Debtor 3, Debtor 10	Sally Gerges, Selvia Gerges and John Gerges	\$1,050,450.00
September 30, 2017	CWB	Debtor 15	Debtor 1, Debtor 3, Debtor 10	Sally Gerges, Selvia Gerges and John Gerges	\$1,800,450.00
August 18, 2016	CWB	Debtor 16	N/A	Diep Nguyen and John Gerges	\$1,725,450.00
July 25, 2017	CWB	Debtor 17	Debtor 16	Diep Nguyen	\$2,465,450.00
April 11, 2019	CWB	Debtor 18	SMCPI	John Gerges and Sandra Youssef	\$1,780,450.00
August 18, 2016	CWB	Debtor 19	N/A	Diep Nguyen and John Gerges	\$1,300,450.00
October 22, 2018	CWB	Debtor 20	N/A	Ramachandran Ramapathy and Chin- To Yuen	\$2,738,450.00
TOTAL					\$25,907,513.06

12. As security for the Debtors' respective obligations to the Lender, each of the Debtors granted a security interest in all of its assets, property, and undertaking pursuant to a general security agreement (collectively, the "General Security Agreements"). It is a term of each of the General Security Agreements that the Lender is entitled to appoint a receiver upon the occurrence of an event of default thereunder.

13. As additional security, the following Debtors granted charges in favour of the Lender against certain owned real property as described below (collectively the "Mortgages" and individually a "Mortgage"):

- (a) Debtor 1 granted a mortgage in favour of the Lender in the principal amount of \$400,000 against the real property municipally known as 4231 Sheppard Avenue East, Unit 41, Toronto, Ontario;
- (b) Debtor 4 granted a mortgage in favour of the Lender in the principal amount of \$410,000, against the real property municipally known as 2780 Totten Street, Windsor, Ontario;

- (c) Debtor 5 granted a mortgage in favour of the Lender in the principal amount of \$1,350,000.00 against the real property municipally known as 255 Broadview Avenue, Toronto, Ontario;
- (d) Debtor 7 granted a mortgage in favour of the Lender in the principal amount of \$399,000 against the real property municipally known as 280 West Beaver Creek Road, Unit 11, Richmond Hill, Ontario; and
- (e) Debtor 10 granted a mortgage in favour of the Lender in the principal amount of \$1,400,450 against the real property municipally known as 721 Gerrard St. E. Toronto.

14. Copies of the promissory notes evidencing the Loans, the General Security Agreements and the Mortgages are attached as **Exhibit C** (collectively, the "Loan and Security Documents").

15. It is a term of each of the promissory notes signed by the Debtors that upon the occurrence of any of the following events, the Lender is entitled to demand repayment of the indebtedness owing by such Debtor:

- (a) a default in making any payment when due under the applicable promissory note or any other agreement between the applicable Debtor and the Lender;
- (b) a default occurs under any agreement under which indebtedness is owing or guaranteed by the Debtor; or
- (c) any circumstance changes or any event occurs which has or could have a material adverse effect on the Debtor's financial condition, business, assets, properties or prospects.

16. The Lender registered a financing statement against each of the Debtors pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**"). Copies of the Enquiry Response Certificates for each of the Debtors (the "**PPSA Searches**") are attached as **Exhibit D**.

17. The PPSA Searches of certain of the Debtors<sup>8</sup> indicate that there are registrations prior in time to the Lender's registration in favour of McKesson Canada Corporation and/or Kohl & Frisch Limited. My understanding is that these two companies are suppliers of pharmaceutical drugs, and they typically hold security in the inventory that they supply to pharmacies.

## DEBTORS IN DEFAULT OF LOAN AND SECURITY DOCUMENTS

### **Criminal Charges**

18. The Lender was aware that, in and around September of 2015, John Gerges had been subject to professional misconduct proceedings by the Ontario College of Pharmacists (the "**College**") for what, in the Lender's view, were relatively minor infractions. In connection with the 2015 infractions, a discipline committee of the College imposed an order against John Gerges which, among other things, included a reprimand, a suspension for five (5) months and certain conditions and limitations on John Gerges' certificate of registration as a pharmacist (the "**Discipline Order**"). A copy of the Discipline Order is attached hereto at **Exhibit** E.

19. On or about January 23, 2020, I learned from news media reports that John Gerges had been charged by the York Regional Police on or about December of 2019 with possession of a Schedule 1 substance (as defined in the federal *Controlled Drugs and Substances Act*) for the purpose of trafficking, and for possession of a forged document (together, the "Criminal Charges").

20. In addition to John Gerges' arrest, the York Regional Police also recovered more than \$500,000 in opioid pills, an illegal handgun, and \$200,000 in cash during their investigation. News articles published by the Canadian Broadcasting Corporation, the Windsor Star, the Toronto City News, Newstalk 1010 and the Toronto Sun between January 22, 2020 and January 23, 2020, detailing the overall investigation, John Gerges' Criminal Charges and John Gerges' alleged involvement in the opioid trafficking ring, are attached as **Exhibit F**.

<sup>&</sup>lt;sup>8</sup> Debtors 2 – 3, 8 – 9, 11 – 12, 14 – 17 and 19 – 20.

21. Sandra Youssef was also charged in the investigation with possession for the purpose of trafficking a Schedule 1 substance and possession of a forged document with intent. Ms. Youssef is married to John Gerges and is a Guarantor to certain of the Loans (as detailed above).

22. Recently, the College posted on its website the terms of the Bail, Custody & Release Conditions of John Gerges in connection with the Criminal Charges (the "**Release Order**"). Among other terms, the Release Order states that John Gerges must not attend at any pharmacy or enter any pharmacy section of a store without a legitimate medical reason, for an indefinite period of time. A copy of the Release Order, as set out on the College's website, is attached as **Exhibit E**.

23. Given the nature of the Debtors' business, the Lender determined that the magnitude and significance of the Criminal Charges constituted a default under the terms of the Loan and Security Documents as a material adverse effect.

24. The Lender, through its counsel, sent a default letter to Debtors 1 - 14 and each applicable Guarantor on March 3, 2020 (collectively, the "**Default Letters**"). A copy of each of the Default Letters is attached as **Exhibit G**. The Default Letters were hand delivered through a process server.

25. Following the issuance of the Default Letters, until the Lender's decision to seek the appointment of a Receiver, the Lender continued to work with the Debtors to address the Lender's concerns. Of primary concern to the Lender was John Gerges' involvement with the Debtors, given the Criminal Charges.

26. As is further described below, the Lender worked with John Gerges and Debtors 1 - 19 to address the Lender's concerns through a series of divestiture transactions whereby John Gerges' interest would be transferred to related and unrelated third parties acceptable to, among other, the Lender.

# Failed Attempts at Consensual Resolution

# First Divestiture Program

27. In and around April 1, 2020, Debtors 1 - 19 sought the Lender's consent for a plan (the "**First Divestiture Program**") to divest John Gerges' interest in certain of Debtors 1 - 19 to a third party that was known and acceptable to the Lender. The Lender was agreeable to the First Divestiture Program and obtained credit approval for a series of transactions that formed part of the First Divestiture Program. However, certain of Debtors 1 - 19 later advised the Lender that the First Divestiture Program was no longer viable as the third party purchaser no longer wished to pursue it.

# Second Divestiture Program

28. After the First Divestiture Program failed, in and around early June of 2020, Debtors 1 - 19 sought the Lender's consent for a proposal that included a sale of the shares held by John Gerges to a number of third parties (the "Second Divestiture Program"). The Lender, in consultation with Spergel, expended significant time and resources to evaluate the transactions comprising the Second Divestiture Program.

29. As part of its due diligence, the Lender identified certain adverse impacts on the Lender's security position that would result from the Second Divestiture Program. John Gerges proposed to provide the Lender additional collateral, being the pledge of the shares of an asset owned by a certain pharmacy entity, known as a "pre-1954 Charter Pharmacy."<sup>9</sup> At the time of the proposal, I believed John Gerges had authority to propose the "pre-1954 Charter Pharmacy" as additional collateral to support the applicable Loans.

<sup>&</sup>lt;sup>9</sup> Under section 142(1) of the *Drug and Pharmacies Regulation Act* (Ontario), R.S.O. 1990 (the "**DPRA**"), pharmacies must be owned and operated by a pharmacist or a corporation where the majority of the directors of the corporation are pharmacists <u>unless</u> the pharmacy is a "pre-1954 Charter Pharmacy". Pursuant to section 142(4) of the DPRA, a "pre-1954 Charter Pharmacy" has the benefit of not being required to have the majority of its shares owned by a pharmacist or in the name of a pharmacy health profession corporation that is registered with the Ontario College of Pharmacists. I understand that a "pre-1954 Chart Pharmacy" has significant enhanced value due to these benefits.

30. In light of the additional collateral, the Lender was agreeable to the Second Divestiture Program. The Lender prepared a draft agreement in connection with the Second Divestiture Program, which was sent to counsel for Debtors 1 - 19 on or about July 16, 2020.

31. The Lender approached the conclusion of a potential agreement with Debtors 1 - 19 in the summer of 2020. However, the Lender was later informed that John Gerges did not own the pre-1954 Charter Pharmacy that he initially proposed as additional collateral, and that the collateral was no longer available.

32. Despite this setback and the time and resources the Lender expended based on John Gerges' earlier representations, the Lender continued to work with John Gerges and Debtors 1 - 19 to consensually address the Lender's concerns.

33. In subsequent discussions, John Gerges then proposed certain real estate as additional collateral to cover the potential shortfall in exchange for the Lender's consent to the Second Divestiture Program. The Lender was agreeable to the replacement real estate collateral and again pursued a formal agreement. Similar to the pre-1954 Charter Pharmacy, after the Lender expended time and resources, the Lender was informed that the additional real estate collateral was also no longer available.

34. Despite months of efforts, no significant process toward a viable agreement was made. The Lender had experienced a pattern of behavior where representations or proposals are made by John Gerges to address the Lender's concerns only for the Lender to be later told that such proposal is no longer available.

# Demand Letters and Engagement of Spergel

35. The Lender, through its counsel, demanded repayment of all of the indebtedness owing by Debtors 1 - 19 and the applicable Guarantors on or about the following dates:

- (a) August 7, 2020: Debtors 1 14;
- (b) August 24, 2020: Debtors 15 17; and

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(c) September 3, 2020: Debtor 18 and Debtor 19.

36. On or about August 17, 2020, the Lender issued a letter to Debtor 20 and the applicable Guarantors declaring the occurrence of an event of default for failing to make a required payment and demanding repayment of the indebtedness (and with the above correspondence, the "**Demand Letters**").

37. In conjunction with each of the Demand Letters, the Lender issued Notices of Intention to Enforce Security under Section 244 of the BIA (the "**NITES**"). Copies of the Demand Letters and NITES issued to each of the Debtors are attached as **Exhibit H.** 

38. The Demand Letters issued on August 7, 2020 in respect of Debtor 6, Debtor 12 and Debtor
9 referenced additional defaults arising from the termination of a certain Telus Provider Agreement (as defined below).

39. Following the Demand Letters, the Lender, with the consent of Debtors 1 - 19, engaged Spergel to review and report on the financial and operational performance of Debtors 1 - 19 and to evaluate the Lender's security position.

40. Through the engagement of Spergel, among other things, the Lender became aware of the termination of additional Telus Provider Agreements and the Insurance Defaults (defined and described below). Spergel has also liaised with Debtors 1 - 19 and assisted the Lender in evaluating the different options John Gerges presented to the Lender. To date, all of the options presented later became unavailable or were terminated by third parties.

#### Termination of Telus Provider Agreements

41. The operating Debtors have provider agreements with TELUS Health Inc. ("Telus **Provider Agreements**"). The Lender has significant experience providing financial services to pharmacies and, in the Lender's view, the Telus Provider Agreement is a material contract.

42. A Telus Provider Agreement allows a pharmacist to electronically process payments with the applicable insurance company when filling prescriptions. Without a Telus Provider Agreement,

patients are required to pay the full amount of a prescription and seek reimbursement from the applicable insurance providers including Canada Life, Sun Life Financial, Equitable Life, and several other prominent insurance carriers. In plain terms, if a pharmacy loses a Telus Provider Agreement, it loses the ability to attract customers who have insurance coverage with the insurers in question.

43. Since the Criminal Charges, TELUS Health Inc. has terminated the Telus Provider Agreements of 8 Debtors out of the 19 Debtors, being Debtor 6, Debtor 9, Debtor 12, Debtor 14 and Debtors 16 - 19.

44. By written correspondence on August 7, 2020, August 24, 2020, September 3, 2020 and October 15, 2020, the Lender notified the applicable Debtors that the termination of the Telus Provider Agreements constituted a material adverse effect and a default under the terms of the applicable Loan and Security Documents.

45. In light of the Criminal Charges and other disciplinary proceedings of the College as referenced in this Affidavit, I believe that, without the benefit of a stay of proceedings, the Debtors' remaining Telus Provider Agreements are at risk of termination.

#### **Insurance Defaults**

46. On or about September 30, 2020, the Lender was informed by its insurance administrator that the liability insurance policies of certain of the Debtors were cancelled – namely Debtors 1, 8, and 12 to 18. Such Debtors continued to operate despite the cancelled policies of liability insurance. A failure to maintain adequate insurance is an event of default under the General Security Agreements. At the time such Debtors were extended credit by the Lender, such Debtors had adequate liability insurance.

47. This was the first time I became aware of the Insurance Defaults. Upon further internal investigation, I then learned that the previous insurance administrator for the Lender had been informed by the applicable Debtors' insurance company that the insurance policies of each of Debtors 1 - 5, 8, and 12 - 19 had been cancelled (the "Insurance Defaults"). Through inadvertence, this communication was not the subject of further action by the Lender at that time. 15 48. Immediately upon becoming aware of the lack of insurance, I informed my counsel of the Insurance Defaults and a letter was sent to the relevant Debtors on October 14, 2020 declaring a further default under the Loan and Security Documents. I note that under the terms of the relevant promissory notes, any failure, delay or omission on the Lender's part to enforce any rights or remedies thereunder shall not be a waiver of such rights or remedies.

49. On or about October 6, 2020, counsel for the Lender advised counsel for the Debtors that the above Insurance Defaults had occurred. A copy of correspondence enclosing details of the defaults committed by the Debtors is attached hereto, with highlights demarcating the references to the Insurance Defaults, at **Exhibit I**.

50. To date, John Gerges has yet to provide valid insurance policies to cure the Insurance Defaults.

#### **Payment Defaults**

51. In addition to the defaults described above, since the issuance of the Demand Letters, 15 out of the 20 Debtors have defaulted in making payments under the applicable promissory notes when due (collectively, the "**Payment Defaults**").

	52.	Below is a	summary of the Payment Defaults:
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Debtor	Default
Debtor 1	Failure to make installment payment due and payable in August 2020.
Debtor 3	Failure to make installment payment due and payable in September 2020.
Debtor 4	Failure to make installment payment due and payable in August 2020.
Debtor 6	Failed to make installment payment due and payable in August 2020, September 2020 and October, 2020.
Debtor 8	Failure to make installment payment due and payable in August 2020 and October 2020.
Debtor 9	Failed to make installment payment due and payable in August 2020, September 2020 and October 2020.
Debtor 12	Failure to make installment payment due and payable in August 2020.
Debtor 13	Failure to make installment payment due and payable in August 2020 and October 2020.
Debtor 14	Failed to make installment payment due and payable in August 2020, September 2020 and October 2020.
Debtor 15	Failed to make installment payment due and payable in August 2020, September 2020 and October 2020.

Debtor	Default
Debtor 16	Failure to make installment payment due and payable in August 2020 and October 2020.
Debtor 17	Failure to make installment payment due and payable in August 2020 and October 2020.
Debtor 18	Failure to make installment payment due and payable in August 2020 and October 2020.
Debtor 19	Failed to make installment payment due and payable in August 2020, September 2020 and October 2020.
Debtor 20	Failed to make installment payment due and payable in August 2020, September 2020 and October 2020.

53. On October 6, 2020, counsel for the Lender wrote to counsel for the Debtors advising of the occurrence of the Payment Defaults. A copy of correspondence enclosing details of the Payment Defaults for Debtors 1 - 19, with highlights demarcating the references to the Payment Defaults, is attached hereto at **Exhibit J**.

54. As noted above, Debtor 20 was notified by the Lender of its Payment Default in the demand letter sent by the Lender on or about August 17, 2020.

#### Summary of Defaults and Demands

55. On or about October 15, 2020, as further communication of the events of default, counsel for the Lender sent counsel for the Debtors a comprehensive memo setting out in detail, among other things, the known events of default committed by Debtors 1 - 19. A copy of the memorandum sent by the Lender's counsel to the Debtors' co-counsel is attached as **Exhibit K**.

#### ADDITIONAL CONSIDERATIONS

56. Since the Default Letters, additional troubling events have occurred and further information has come to the Lender's attention, which further described below.

#### **Professional Misconduct**

57. Aside from the Criminal Charges, the College commenced new disciplinary proceedings against John Gerges on or about April 28, 2020, alleging that John Gerges, while engaged at Totten

Pharmacy in Windsor, Ontario, Jimmy's Pharmacy in Toronto, Ontario, and Pacific Pharmacy in Toronto, Ontario, committed professional misconduct by, among other things, submitting charges for drugs that were never dispensed, falsifying pharmacy records, forging prescriptions using a stolen prescription pad, failing to keep records of certain identified drugs, and submitting charges for 755 claims of drugs/products/fees in excess of allowable amounts. These disciplinary proceedings are attached as **Exhibit E.** 

58. The Lender became aware of the College's new disciplinary proceedings against John Gerges following the issuance of the Default Letters. In the Lender's view, such professional misconduct – even absent the Criminal Charges – is a material adverse effect constituting a default under the Loan and Security Documents.

#### Failure of Second Divestiture Program

59. Notwithstanding the Debtors' inability to post suitable additional collateral in connection with the Second Divestiture Program, the Lender continued to work with the Debtors to evaluate transactions presented by the Debtors to the Lender. In and around September 24, 2020, the Lender approved financing for new buyers of Debtor 9 and Debtor 12. However, on October 26, 2020, I was advised by Mukul Manchanda, Partner at Spergel that the transactions being evaluated by the Lender were terminated because the buyers learned that TELUS Health Inc. had extended a waiting period to reapply for a provider number from one to two years.

#### **DEBTORS' OBLIGATIONS**

60. A table setting out the specific amounts owing by each applicable Debtor as set out in the Demand Letters is as follows:

Entity	Amount Owing
Debtor 1	288,388.58
Debtor 2	432,937.01
Debtor 3	537,611.52
Debtor 4	250,875.52
Debtor 5	409,927.30
Debtor 6	603,330.23

Entity	Amount Owing
Debtor 7	276,545.36
Debtor 8	1,576,548.17
Debtor 9	605,048.87
Debtor 9	11,861.35
Debtor 10	548,827.08
Debtor 11	3,643,675.16
Debtor 12	499,313.04
Debtor 13	658,489.94
Debtor 14	853,131.97
Debtor 15	506,352.43
Debtor 15	865,677.73
Debtor 15	1,635,600.58
Debtor 16	1,312,250.32
Debtor 17	2,182,814.37
Debtor 18	1,893,573.95
Debtor 19	987,178.95
Debtor 20	2,908,586.50
TOTAL	23,488,545.93

#### **APPOINTMENT OF A RECEIVER**

61. The Debtors have defaulted under the terms of each of their respective Loan and Security Documents.

62. The Lender has demanded from each Debtor repayment of the applicable amount of the Indebtedness owing by such Debtor. The Lender has issued NITES against each of the Debtors. The 10-day notice period has expired. To date, the Lender's demand for repayment remains unsatisfied and no consensual resolution has been achieved since the initial Default Letters that were sent in March, 2020.

63. Certain of the Debtors have lost their relevant Telus Agreements. Certain of the Debtors are operating without insurance. 14 of Debtors have not made payments under the Loans as they become due and payable. In the Lender's view, the Lender's collateral is at risk.

64. The Lender has lost confidence in the Debtors' ability to protect the Lender's collateral and address the Lender's concerns.

65. In the Lender's view, the Lender has witnessed a gradual deterioration of the Lender's business, eroding the Lender's security.

66. The Lender is entitled to appoint a receiver under the General Security Agreements signed by the Debtors.

67. Spergel has consented to act as Receiver.

SWORN BEFORE ME via video-conference with the deponent in the Town of Bryn Mawr, Pennsylvania, and the Commissioner in the City of Toronto, Ontario this 30<sup>th</sup> day of October, 2020

DocuSigned by: Vine Eletro

Edward Hopkinson

A Commissioner for taking Affidavits (or as may be) Tamie Dolny

Note: This affidavit was commissioned via simultaneous video-conference in accordance with the *Commissioners for taking Affidavits Act*, R.S.O. 1990, CHAPTER C.17, and Ontario Regulation 431/20 Administering Oath or Declaration Remotely, under which (i) the identity of the deponent was confirmed from government issued identification, (ii) the commissioner administered the oath or affirmation, (iii) the deponent affixed their electronic signature to the affidavit, (iv) the deponent confirmed their electronic signature to the commissioner affixed their electronic signature to the affidavit including exhibits.

# Tab A

This is **Exhibit "A"** referred to in the Affidavit of TED (EDWARD) HOPKINSON and SWORN BEFORE ME via video-conference with the deponent in the City of Bryn Mawr, in the State of Pennsylvania, United States of America, and the Commissioner in the City of Toronto, Ontario this 30th day of October, 2020

DocuSigned by:

A Commissioner for Taking Affidavits

Tamie Dolny

Date Report Produced: 2020/10/27 Time Report Produced: 10:12:58 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2526803	ST. MARY THEOT	OKOS PHARN	MA INC.		2016/07/08
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
2554 NICHOLS DR				New Amal. Number	Notice Date
OAKVILLE ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA L6H 7L3					Letter Date
Mailing Address					NOT APPLICABLE
DIEP NGUYEN 300 SPADINA AVENUE				Revival Date	Continuation Date
300 SPADINA AVENUE				NOT APPLICABLE	NOT APPLICABLE
TORONTO ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA M5T 2E7				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID:025189137Transaction ID:77001998Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:12:58Page:2

#### **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2526803 ST. MARY THEOTOKOS PHARMA INC.
Corporate Name History Effective Date

ST. MARY THEOTOKOS PHARMA INC. 2016/07/08

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation) JOHN

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director
2016/07/08	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID:025189137Transaction ID:77001998Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:12:58 Page: 3

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2526803

**Corporation Name** 

ST. MARY THEOTOKOS PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2016/07/08	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation) JOHN

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director
2016/07/08	NOT APPLICABLE
Designation	Officer Type

**Resident Canadian** 

Request ID: 025189137 Transaction ID: 77001998 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:12:58Page:4

#### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2526803

**Corporation Name** 

ST. MARY THEOTOKOS PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

DIEP 2088 LAWRENCE AVENUE WEST
NGUYEN
Suite # 309
TORONTO
ONTARIO
CANADA M9N 3Z9
Date Began
Eirst Director

Date Began	First Director
2016/07/08	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

Administrator: Name (Individual / Corporation) DIEP NGUYEN

Address

Y

**Resident Canadian** 

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director	
2016/07/08	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Date Report Produced: 2020/10/27 Time Report Produced: 10:12:58 Page: 5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

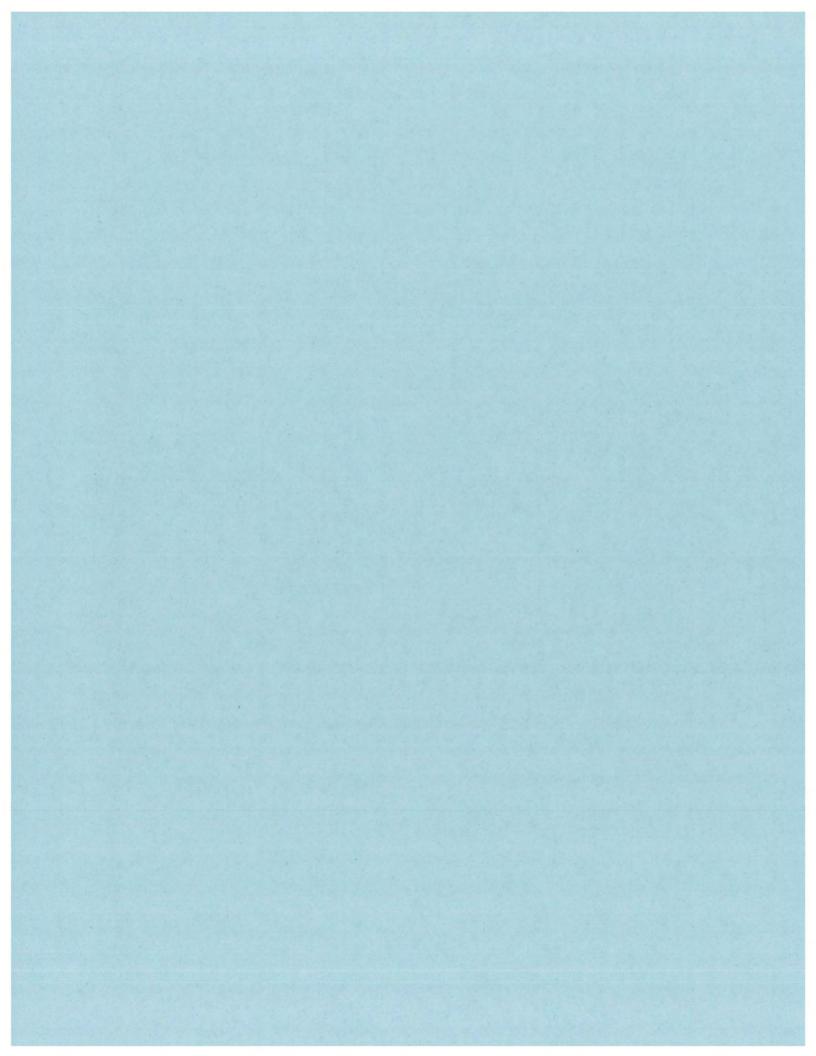
 2526803
 ST. MARY THEOTOKOS PHARMA INC.

 Last Document Recorded
 Last Document Recorded

Act/Cod	le Description	Form	Date
CIA	ANNUAL RETURN 2018	1C	2018/10/07 (ELECTRONIC FILING)

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Date Report Produced: 2020/10/27 Time Report Produced: 10:12:35 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2679130	ABU SEIFEIN BRIN	ILEY PHARM	A INC.		2019/02/01
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
SANDRA YOUSSEF				NOT APPLICABLE	NOT APPLICABLE
127 MONTEZUMA TRAIL				New Amal. Number	Notice Date
AGINCOURT ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M1V 1K4					Letter Date
Mailing Address					NOT APPLICABLE
SANDRA YOUSSEF 127 MONTEZUMA TRAIL				Revival Date	Continuation Date
127 MONTEZUMA TRAIL					
				NOT APPLICABLE	NOT APPLICABLE
				NOT APPLICABLE Transferred Out Date	NOT APPLICABLE Cancel/Inactive Date
AGINCOURT ONTARIO CANADA M1V 1K4					
ONTARIO				Transferred Out Date	Cancel/Inactive Date
ONTARIO				Transferred Out Date	Cancel/Inactive Date
ONTARIO		Number of Minimum	f Directors Maximum	Transferred Out Date NOT APPLICABLE EP Licence Eff.Date	Cancel/Inactive Date NOT APPLICABLE EP Licence Term.Date

NOT AVAILABLE

Request ID: 025189129 Transaction ID: 77001983 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:12:35Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2679130 ABU SEIFEIN BRIMLEY PHARMA INC.

Corporate Name History	Effective Date
ABU SEIFEIN BRIMLEY PHARMA INC.	2019/02/01

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation) SANDRA

YOUSSEF

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director	
2019/02/01	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Request ID: 025189129 Transaction ID: 77001983 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:12:35Page:3

#### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2679130

**Corporation Name** 

ABU SEIFEIN BRIMLEY PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

SANDRA

YOUSSEF

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director	
2019/02/01	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation) SANDRA

YOUSSEF

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director
2019/02/01	NOT APPLICABLE
Designation	Officer Type

**Resident Canadian** 

Request ID: 025189129 Transaction ID: 77001983 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:12:35Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2679130

**Corporation Name** 

ABU SEIFEIN BRIMLEY PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

SANDRA

YOUSSEF

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

**Resident Canadian** 

Y

Date Began	First Director
2019/02/01	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

Date Report Produced:2020/10/27Time Report Produced:10:12:35Page:5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

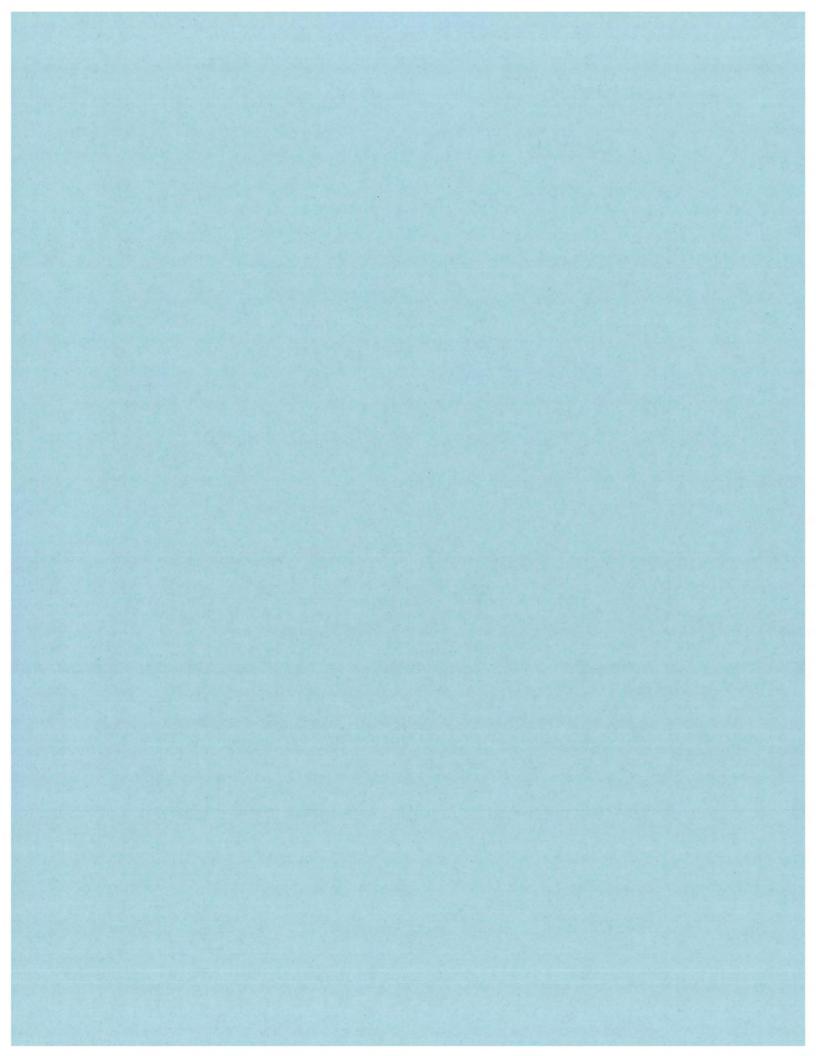
 2679130
 ABU SEIFEIN BRIMLEY PHARMA INC.

 Last Document Recorded
 Last Document Recorded

Act/Code Description		Form	Date
CIA	INITIAL RETURN	1	2019/03/12 (ELECTRONIC FILING)

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Date Report Produced:2020/10/27Time Report Produced:10:10:52Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2525389	STONEY CREEK P	PHARMA INC.			2016/06/29
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
800 QUEENSTON ROAD				New Amal. Number	Notice Date
STONEY CREEK ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA L8G 1A7					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
800 QUEENSTON ROAD				NOT APPLICABLE	NOT APPLICABLE
STONEY CREEK ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA L8G 1A7				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID:025189104Transaction ID:77001912Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:52Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2525389	STONEY CREEK PHARMA INC.

Corporate Name History	Effective Date
STONEY CREEK PHARMA INC.	2016/06/29

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)

DIEP

NGUYEN

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2016/06/29	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID: 025189104 Transaction ID: 77001912 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:52Page:3

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

Corporation Name

2525389		STONEY CREEK PHARMA INC.
Administrator: Name (Individual / Corporation)		Address
DIEP		2088 LAWRENCE AVENUE WEST
NGUYEN		<b>Suite #</b> 309 TORONTO ONTARIO CANADA M9N 3Z9
Date Began	First Director	
2016/06/29	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	TREASURER	Υ
Administrator: Name (Individual / Corporation)		Address
DIEP		

NGUYEN

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2020/09/22	NOT APPLICABLE
Designation	Officer Type

Resident Canadian

Request ID:025189104Transaction ID:77001912Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:52Page:4

#### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2525389

Corporation Name

STONEY CREEK PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

DIEP

NGUYEN

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director	
2020/09/22	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	

Date Report Produced: 2020/10/27 Time Report Produced: 10:10:52 Page: 5

## **CORPORATION PROFILE REPORT**

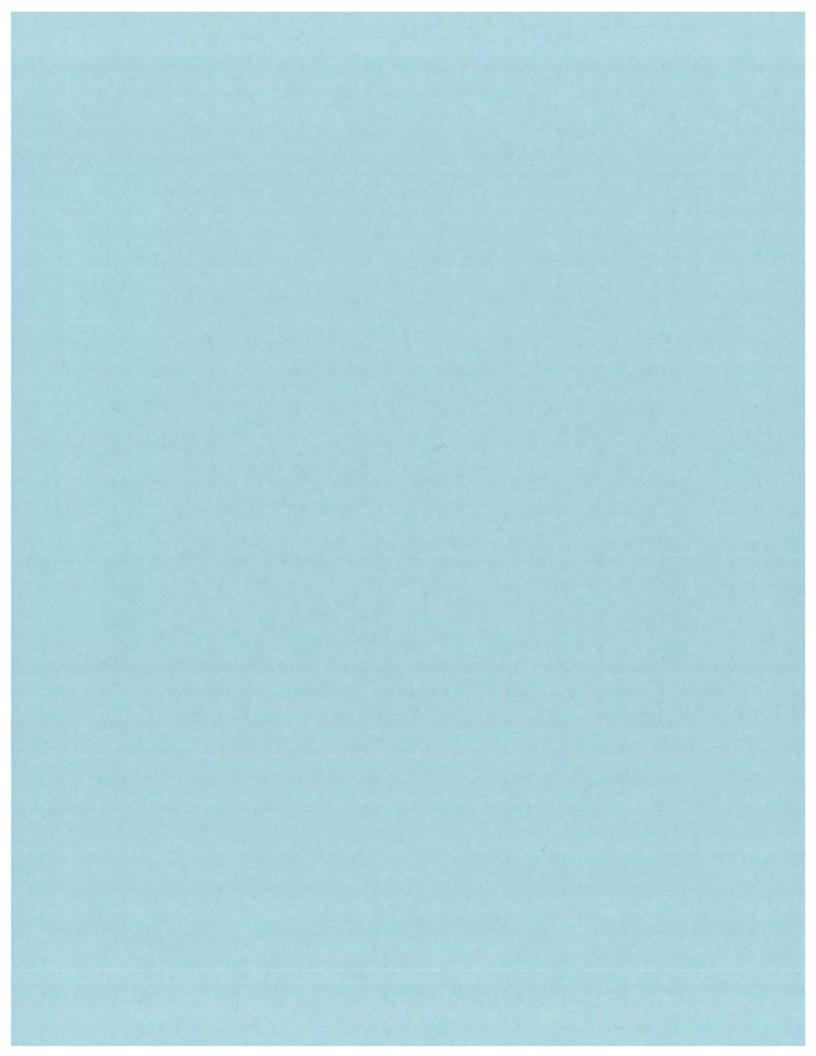
 Ontario Corp Number
 Corporation Name

 2525389
 STONEY CREEK PHARMA INC.

	cument Recorded le Description	Form	Date
CIA	ANNUAL RETURN 2020	1C	2020/10/04 (ELECTRONIC FILING)

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Date Report Produced:2020/10/27Time Report Produced:10:10:35Page:1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
71859	RESIDENT MEDICA	AL GROUP IN	C.		1954/01/25
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
14774 WOODBINE AVENUE				NOT APPLICABLE	NOT APPLICABLE
14774 WOODBINE AVENUE				New Amal. Number	Notice Date
GORMLEY ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA LOH 1G0					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	
Mailing Address 14774 WOODBINE AVENUE				Revival Date NOT APPLICABLE	NOT APPLICABLE
14774 WOODBINE AVENUE					NOT APPLICABLE
14774 WOODBINE AVENUE				NOT APPLICABLE	NOT APPLICABLE Continuation Date NOT APPLICABLE
14774 WOODBINE AVENUE GORMLEY ONTARIO				NOT APPLICABLE	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date
14774 WOODBINE AVENUE GORMLEY ONTARIO				NOT APPLICABLE Transferred Out Date NOT APPLICABLE	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date NOT APPLICABLE
14774 WOODBINE AVENUE GORMLEY ONTARIO		Number of Minimum	Directors Maximum	NOT APPLICABLE Transferred Out Date NOT APPLICABLE EP Licence Eff.Date	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date NOT APPLICABLE EP Licence Term.Date

NOT AVAILABLE

Request ID: 025189098 Transaction ID: 77001902 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:35Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

71859

RESIDENT MEDICAL GROUP INC.

Corporate Name History	Effective Date
RESIDENT MEDICAL GROUP INC.	1991/10/11
THROOP PHARMACIES LIMITED	1954/01/25

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator: Name (Individual / Corporation)

SELVIA G GERGES Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director
2016/02/29	NOT APPLICABLE
Designation	Officer Type

**Resident Canadian** 

Request ID: 025189098 Transaction ID: 77001902 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:10:35 Page: 3

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

71859

**Corporation Name** 

RESIDENT MEDICAL GROUP INC.

Administrator: Name (Individual / Corporation)

Address

SELVIA G GERGES

SALLY G GERGES /144/000

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2016/02/29	NOT APPLICABLE	
Designation	Officer Trune	Desident Consider
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation)

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director
2016/02/29	NOT APPLICABLE
Designation	Officer Type

**Resident Canadian** 

Request ID:025189098Transaction ID:77001902Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:35Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

71859

**Corporation Name** 

RESIDENT MEDICAL GROUP INC.

Administrator: Name (Individual / Corporation)

Address

LINH

TRAN

5765 YONGE STREET Suite # 2104 NORTH YORK ONTARIO CANADA M2M 3T9

Date Began	First Director
2017/12/06	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Date Report Produced:2020/10/27Time Report Produced:10:10:35Page:5

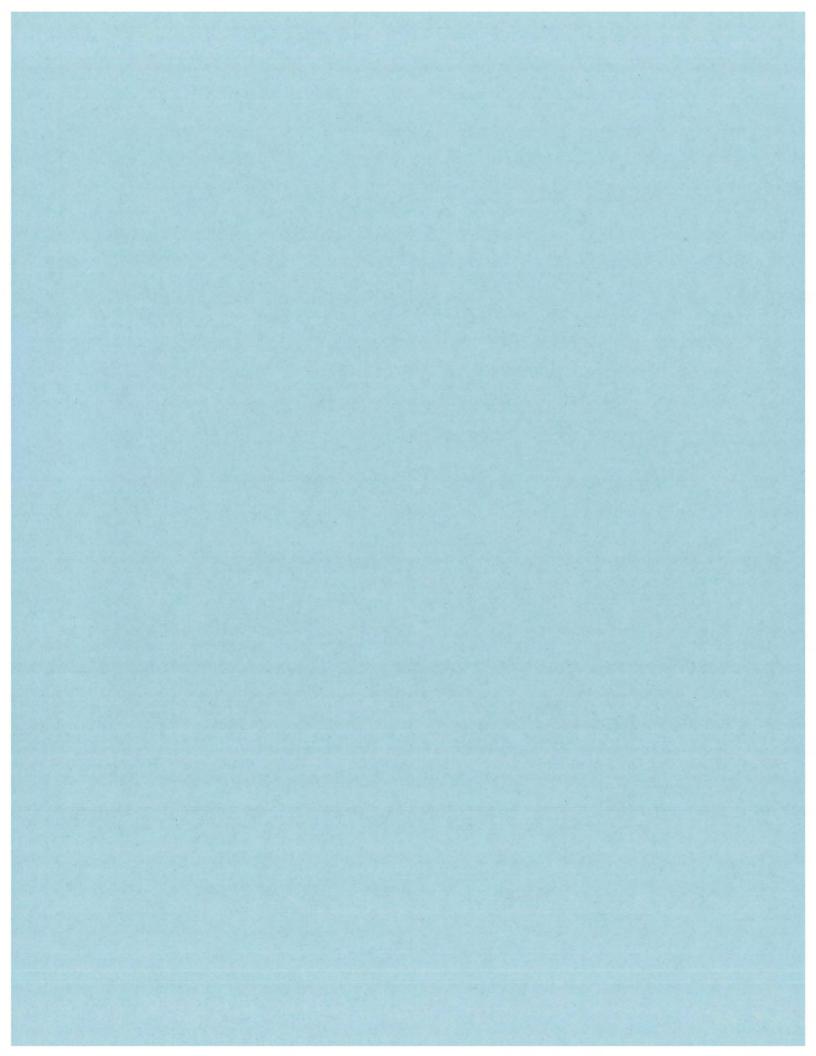
#### **CORPORATION PROFILE REPORT**

Ontario Corp Number		Corporation Name
71859		RESIDENT MEDICAL GROUP INC.
Last Document Recorded		
Act/Code Description	Form	Date

CIA CHANGE NOTICE 1 2017/12/07 (ELECTRONIC FILING)

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Date Report Produced: 2020/10/27 Time Report Produced: 10:10:17 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Amalgamation Date
1988446	WESTWAY HOLD	NGS INC.			2018/01/25
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
160 THE WESTWAY				NOT APPLICABLE	A
100 THE WESTWAT				New Amal. Number	Notice Date
ETOBICOKE ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M9P 2C1					Letter Date
Mailing Address					NOT APPLICABLE
NOT AVAILABLE				Revival Date	Continuation Date
				NOT APPLICABLE	NOT APPLICABLE
				Transferred Out Date	Cancel/Inactive Date
				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID: 025189095 Transaction ID: 77001886 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:10:17 Page: 2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

1988446	WESTWAY HOLDINGS INC.

Corporate Name History	Effective Date
WESTWAY HOLDINGS INC.	2018/01/25

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Amalgamating Corporations	
Corporation Name	Corporate Number
WESTWAY HOLDINGS INC.	2609282
ST. MARINA & ST. ABRAAM LTD.	1882697

Request ID: 025189095 Transaction ID: 77001886 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:10:17Page:3

#### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

1988446

**Corporation Name** 

WESTWAY HOLDINGS INC.

Administrator: Name (Individual / Corporation)

Address

RAMACHANDRAN

RAMAPATHY

25 PALOMINO CRESCENT

TORONTO ONTARIO CANADA M2K 1W2

Date Began	First Director
2018/01/25	YES
Designation	Officer Type

DIRECTOR

**Resident Canadian** 

Y

Date Report Produced:2020/10/27Time Report Produced:10:10:17Page:4

### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

**Corporation Name** 

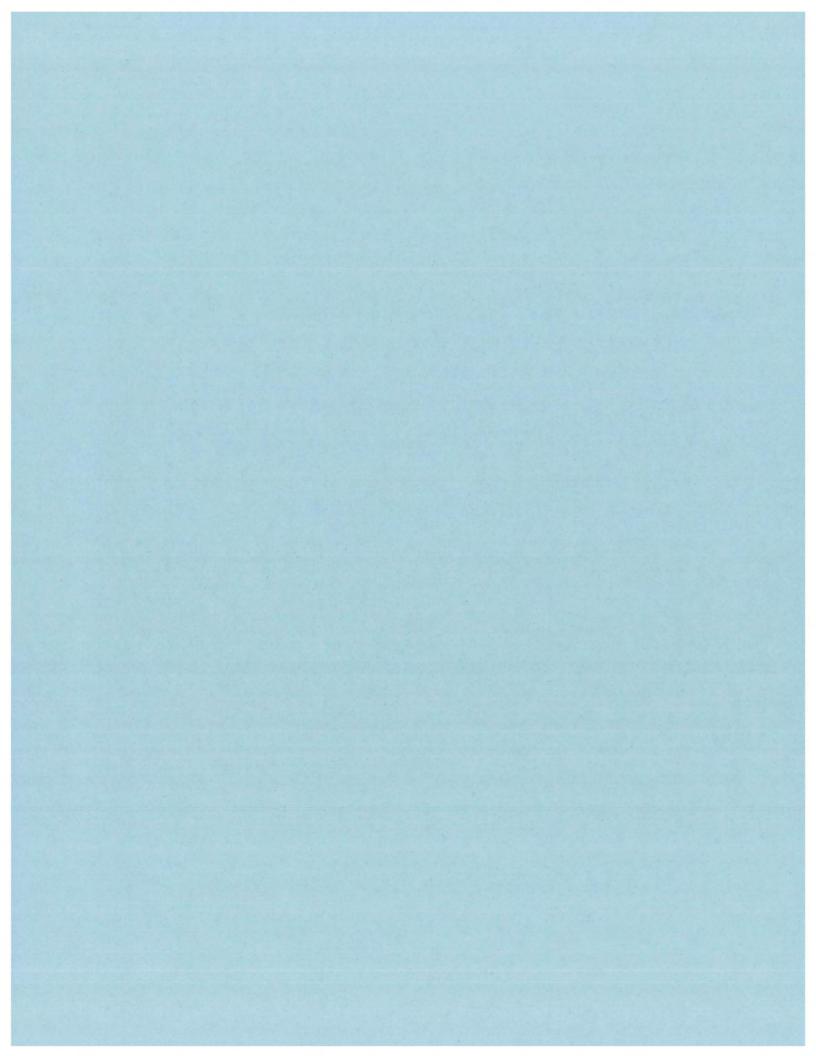
1988446

WESTWAY HOLDINGS INC.

Last Document Recorded			
Act/Code Description		Form	Date
BCA	ARTICLES OF AMALGAMATION	4	2018/01/25

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.



Date Report Produced:2020/10/27Time Report Produced:10:09:59Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Amalgamation Date
1953105	TORONTO SURRE	EY PHARMA I	NC.		2016/04/06
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address		,		Date Amalgamated	Amalgamation Ind.
1715 VICTORIA PARK AVE				NOT APPLICABLE	A
17 15 VICTORIA PARKAVE				New Amal. Number	Notice Date
SCARBOROUGH ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M1R 1R7					Letter Date
Mailing Address					NOT APPLICABLE
1715 VICTORIA PARK AVENUE				Revival Date	Continuation Date
1715 VICTORIA PARK AVENUE				NOT APPLICABLE	NOT APPLICABLE
SCARBOROUGH				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA M1R 1R7				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number o Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189091 Transaction ID: 77001878 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:59Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

1953105 TORONTO SURREY PHARMA INC.

Corporate Name History	Effective Date
TORONTO SURREY PHARMA INC.	2016/04/06

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Amalgamating Corporations		
Corporation Name	Corporate Number	
SURREY DRUG MART LTD.	1153758	
TORONTO SURREY PHARMA INC.	2511075	

Request ID:	025189091
Transaction ID:	77001878
Category ID:	UN/E

Date Report Produced: 2020/10/27 Time Report Produced: 10:09:59 Page: 3

### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

1953105

OFFICER

**Corporation Name** 

TORONTO SURREY PHARMA INC. Administrator: Name (Individual / Corporation) Address DIEP 2088 LAWRENCE AVENUE WEST NGUYEN Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9 Date Began **First Director** NOT APPLICABLE 2020/02/13 Designation **Officer Type Resident Canadian** DIRECTOR Y Administrator: Name (Individual / Corporation) Address DIEP 2088 LAWRENCE AVENUE WEST NGUYEN Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9 **First Director** Date Began NOT APPLICABLE 2020/02/13 Designation **Officer Type Resident Canadian** 

PRESIDENT

025189091 Request ID: Transaction ID: 77001878 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:09:59 Page: 4

#### **CORPORATION PROFILE REPORT**

**Officer Type** 

SECRETARY

**Ontario Corp Number** 

1953105

Designation

OFFICER

DIEP

NGUYEN

TORONTO SURREY PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

DIEP 2088 LAWRENCE AVENUE WEST NGUYEN Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9 Date Began **First Director** 2020/02/13 NOT APPLICABLE **Resident Canadian** 

Administrator: Name (Individual / Corporation)

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

**Resident Canadian** 

Date Began	First Director
2020/02/13	NOT APPLICABLE
Designation	Officer Type

**Corporation Name** 

Date Report Produced: 2020/10/27 Time Report Produced: 10:09:59 Page: 5

### **CORPORATION PROFILE REPORT**

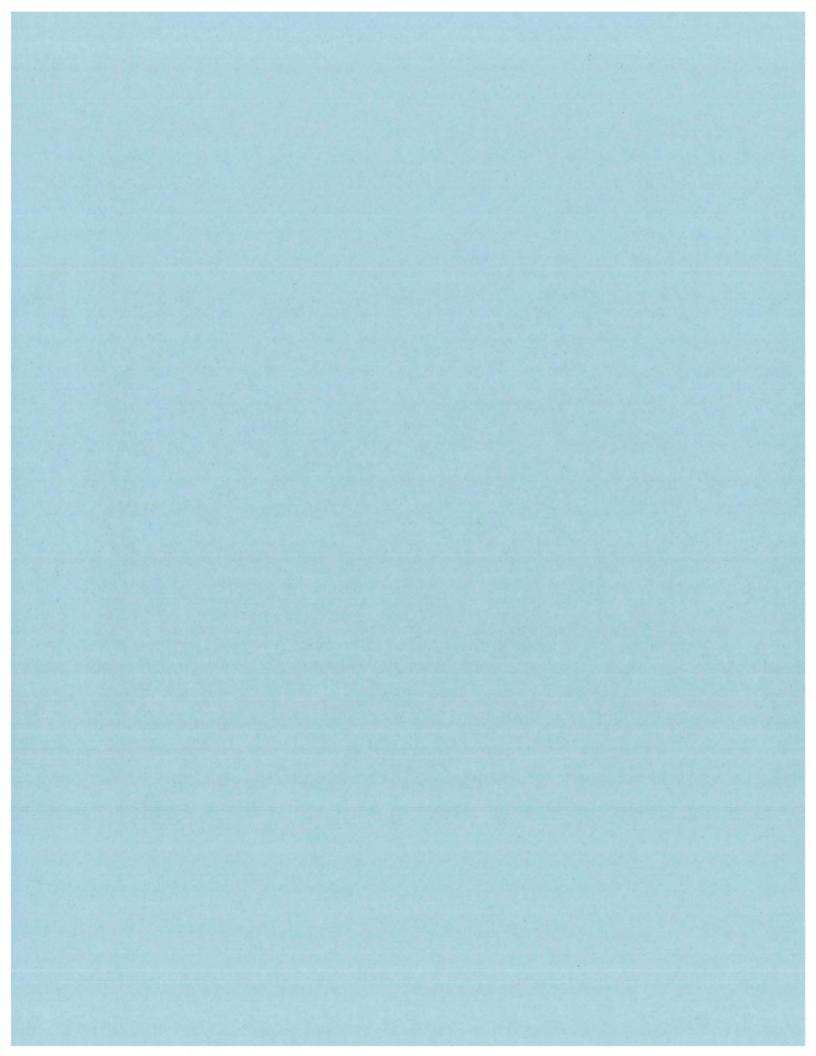
 Ontario Corp Number
 Corporation Name

 1953105
 TORONTO SURREY PHARMA INC.

 Last Document Recorded
 Last Document Recorded

Act/Code Description		Form	Date
CIA	ANNUAL RETURN 2020	1C	2020/10/18 (ELECTRONIC FILING)

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Date Report Produced:2020/10/27Time Report Produced:10:09:42Page:1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2490351	TORONTO APOTH	IECARY PHAI	RMA INC.		2015/11/06
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
842 MARKHAM ROAD				New Amal. Number	Notice Date
SCARBOROUGH ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M1H 2Y2					Letter Date
Mailing Address					NOT APPLICABLE
DIEP NGUYEN 842 MARKHAM ROAD				Revival Date	Continuation Date
				NOT APPLICABLE	NOT APPLICABLE
SCARBOROUGH				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA M1H 2Y2				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189087 Transaction ID: 77001866 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:42Page:2

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2490351	TORONTO APOTHECARY PHARMA INC.
Corporate Name History	Effective Date
TORONTO APOTHECARY PHARMA INC.	2015/11/06
Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation) DIEP

NGUYEN

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2015/11/06	NOT APPLICABLE
Designation	Officer Type

**Resident Canadian** 

Y

Request ID: 025189087 Transaction ID: 77001866 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:42Page:3

### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2490351

**Corporation Name** 

TORONTO APOTHECARY PHARMA INC.

 Administrator: Name (Individual / Corporation)
 Address

 DIEP
 2088 LAWRENCE AVENUE WEST

 NGUYEN
 Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

 Date Began
 First Director

 2015/11/06
 NOT APPLICABLE

 Designation
 Officer Type

 Resident Canadian

0	2.
OFFICER	PRESIDENT

Administrator: Name (Individual / Corporation) DIEP

NGUYEN

Address

Υ

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director		
2015/11/06	NOT APPLICABLE		
Designation	Officer Type	Resident Canadian	

Request ID: 025189087 Transaction ID: 77001866 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:42Page:4

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2490351

**Corporation Name** 

Address

TORONTO APOTHECARY PHARMA INC.

Administrator: Name (Individual / Corporation)

DIEP

NGUYEN

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director		
2015/11/06	NOT APPLICABLE		
Designation	Officer Type	Resident Canadian	

Date Report Produced:2020/10/27Time Report Produced:10:09:42Page:5

### **CORPORATION PROFILE REPORT**

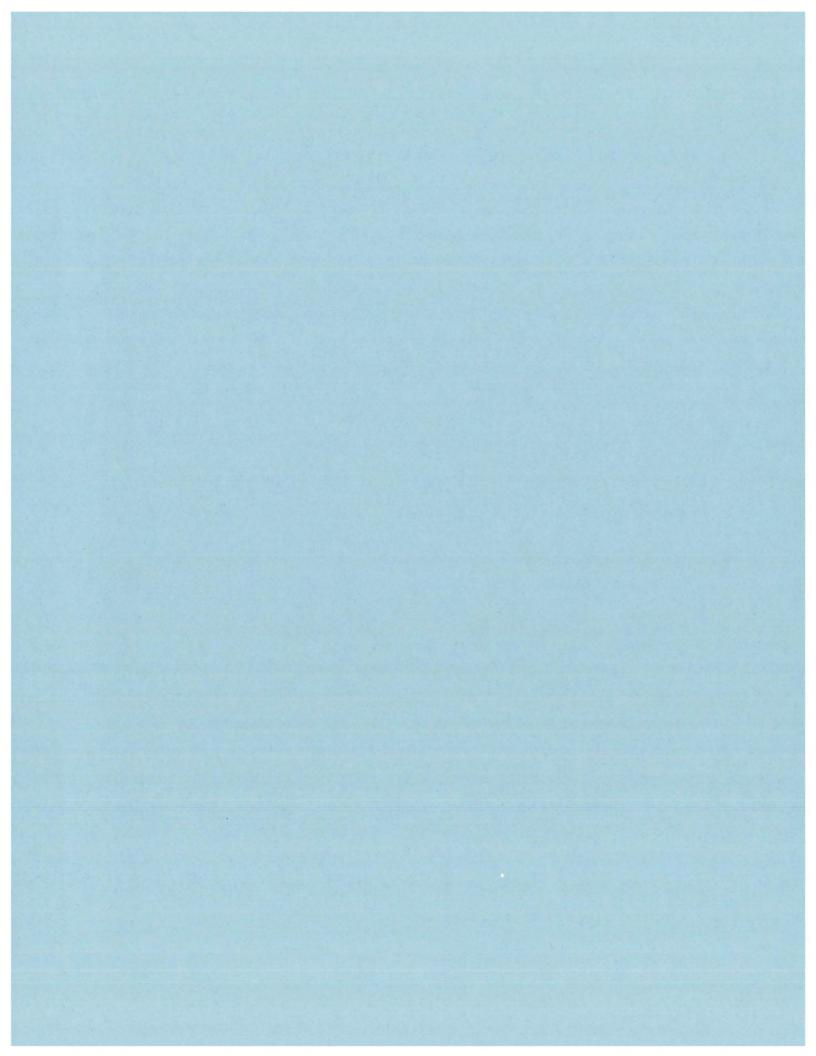
 Ontario Corp Number
 Corporation Name

 2490351
 TORONTO APOTHECARY PHARMA INC.

 Last Document Recorded
 Last Document Recorded

Act/Cod	le Description	Form	Date
CIA	ANNUAL RETURN 2019	1C	2020/04/26 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS. ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.



Date Report Produced:2020/10/27Time Report Produced:10:09:16Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2720993	SJ COLBORNE PH	ARMA INC.			2019/10/10
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
164 COLBORNE STREET WEST				NOT APPLICABLE	NOT APPLICABLE
				New Amai. Number	Notice Date
Suite # 2A BRANTFORD				NOT APPLICABLE	NOT APPLICABLE
ONTARIO CANADA N3T 1L2					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
164 COLBORNE STREET WEST					
Suite # 2A				NOT APPLICABLE	NOT APPLICABLE
BRANTFORD				NOT APPLICABLE	NOT APPLICABLE Cancel/Inactive Date
BRANTFORD ONTARIO CANADA N3T 1L2					
ONTARIO				Transferred Out Date	Cancel/Inactive Date
ONTARIO				Transferred Out Date	Cancel/Inactive Date
ONTARIO		Number o Minimum	f Directors Maximum	Transferred Out Date NOT APPLICABLE EP Licence Eff.Date	Cancel/Inactive Date NOT APPLICABLE EP Licence Term.Date

Activity Classification

Request ID:025189082Transaction ID:77001858Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:16Page:2

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2720993	SJ COLBORNE PHARMA INC.		
Corporate Name History	Effective Date		
SJ COLBORNE PHARMA INC.	2019/10/10		
Current Business Name(s) Exist:	YES		
Expired Business Name(s) Exist:	NO		
Administrator: Name (Individual / Corporation) SAMIR	Address		

SHENODA

1543 MORSE PLACE

MILTON ONTARIO CANADA L9T 5V4

Date Began	First Director
2019/10/10	NOT APPLICABLE
Designation	Officer Type

Resident Canadian

Y

Request ID: 025189082 Transaction ID: 77001858 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:16Page:3

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

Corporation Name

2720993 SJ COLBORNE PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

SAMIR
-------

SHENODA

1543 MORSE PLACE

MILTON ONTARIO CANADA L9T 5V4

Date Began	First Director	
2019/10/10	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation) SAMIR

SHENODA

Address

1543 MORSE PLACE

MILTON ONTARIO CANADA L9T 5V4

Date Began	First Director
2019/10/10	NOT APPLICABLE
Designation	Officer Type
OFFICER	TREASURER

**Resident Canadian** 

Request ID: 025189082 Transaction ID: 77001858 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:16Page:4

#### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2720993

**Corporation Name** 

SJ COLBORNE PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

SAMIR

SHENODA

1543 MORSE PLACE

MILTON ONTARIO CANADA L9T 5V4

Date Began	First Director	
2019/10/10	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
Designation OFFICER	Officer Type SECRETARY	Resident Canadian

Date Report Produced:2020/10/27Time Report Produced:10:09:16Page:5

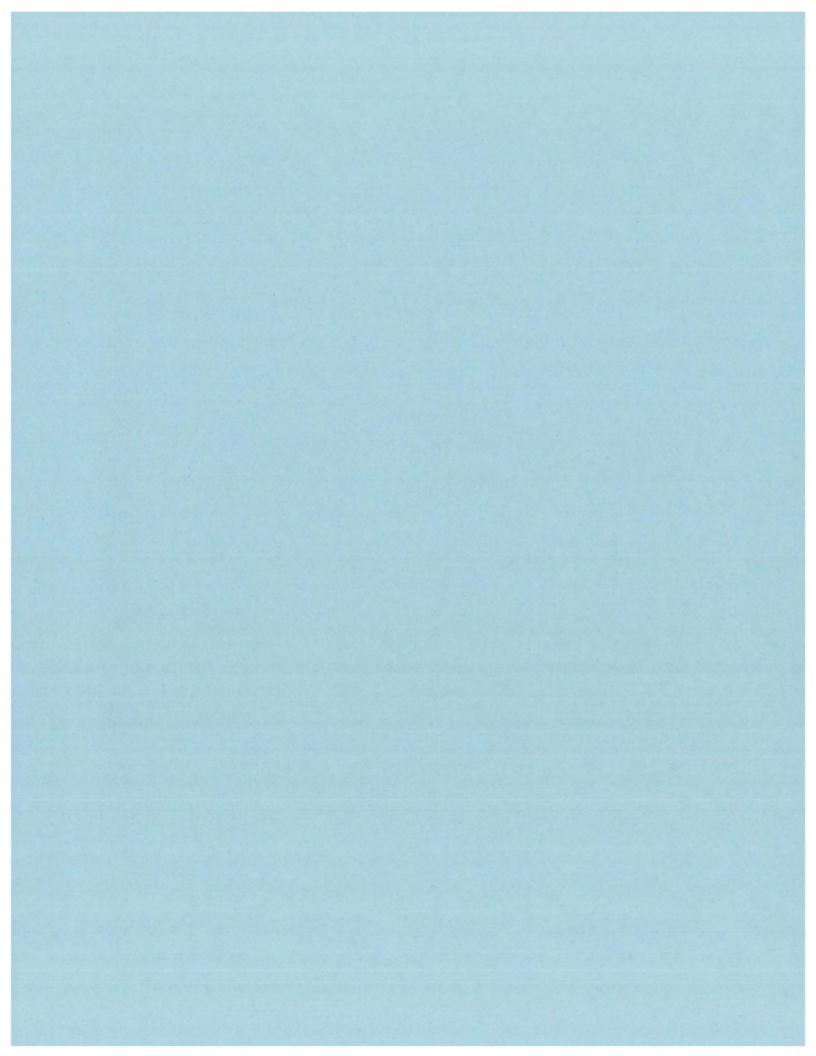
### **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2720993
 SJ COLBORNE PHARMA INC.

Last Document Recorded				
Act/Cod	e Description	Form	Date	
CIA	INITIAL RETURN	1	2019/10/22 (ELECTRONIC FILING)	

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Date Report Produced:2020/10/27Time Report Produced:10:09:02Page:1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2415233	S&J PROPERTY IN	NVESTORS IN	NC.		2014/04/16
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
GAMAL GERGES 721 GERRARD STREET EAST				NOT APPLICABLE	NOT APPLICABLE
121 GERRARD STREET EAST				New Amal. Number	Notice Date
TORONTO ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M4M 1Y5					Letter Date
Mailing Address					NOT APPLICABLE
721 GERRARD STREET EAST				Revival Date	Continuation Date
121 GERRARD STREET EAST				NOT APPLICABLE	NOT APPLICABLE
				Transferred Out Date	Cancel/Inactive Date
CANADA M4M 1Y5				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number o Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189079 Transaction ID: 77001852 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:02Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2415233	S&J PROPERTY INVESTORS INC.

Corporate Name History	Effective Date
S&J PROPERTY INVESTORS INC.	2014/04/16

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)
GAMAL

GERGES

Address

721 GERRARD STREET EAST

TORONTO ONTARIO CANADA M4M 1Y5

Date Began	First Director
2014/04/16	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

Resident Canadian

Y

Request ID: 025189079 Transaction ID: 77001852 Category ID: UN/E

Province of Ontario Ministry of Government Services

Time Report Produced: 10:09:02 Page: 3

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2415233

**Corporation Name** 

Administrator: Name (Individual / Corporation) Address GAMAL 721 GERRARD STREET EAST GERGES TORONTO ONTARIO CANADA M4M 1Y5 Date Began **First Director** NOT APPLICABLE 2014/04/16 Designation **Officer Type Resident Canadian** OFFICER PRESIDENT Y Administrator: Name (Individual / Corporation) Address GAMAL 721 GERRARD STREET EAST

GERGES

Date Began 2014/04/16

Designation

OFFICER

ONTARIO CANADA M4M 1Y5 **First Director** NOT APPLICABLE

**Resident Canadian** 

SECRETARY

Officer Type

Y

TORONTO

S&J PROPERTY INVESTORS INC.

Date Report Produced: 2020/10/27

Request ID: 025189079 Transaction ID: 77001852 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:09:02Page:4

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2415233

Corporation Name

S&J PROPERTY INVESTORS INC.

Administrator: Name (Individual / Corporation)

Address

GAMAL

GERGES

721 GERRARD STREET EAST

TORONTO ONTARIO CANADA M4M 1Y5

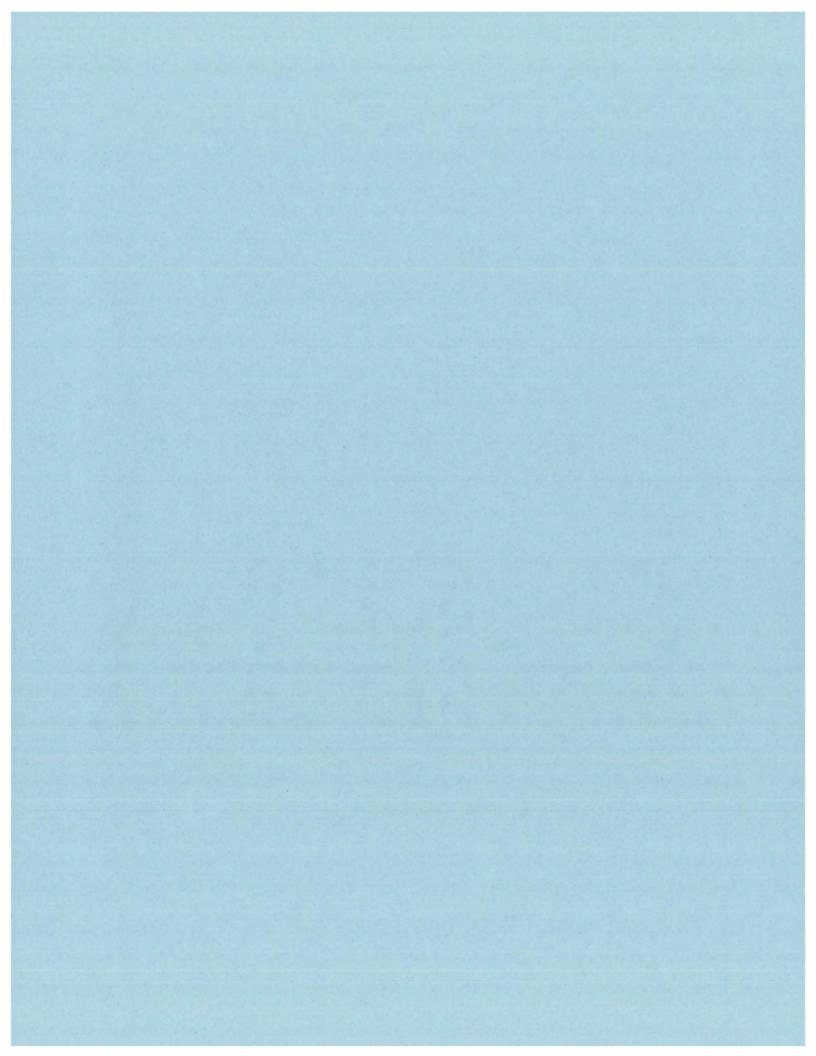
Date Began	First Director	
2014/04/16	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	TREASURER	Υ

## **CORPORATION PROFILE REPORT**

Ontario Corp Number		Corporation Name
2415233		S&J PROPERTY INVESTORS INC.
Last Document Recorded		
Act/Code Description	Form	Date

CIA CHANGE NOTICE 1 2020/07/24 (ELECTRONIC FILING)

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Date Report Produced: 2020/10/27 Time Report Produced: 10:08:44 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Amalgamation Date
1941232	RIVER HILL PHAR	MACY LTD.			2015/09/01
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
DIEP NGUYEN 1- 2088 LAWRENCE AVE W				NOT APPLICABLE	А
- 2000 LAWINENGE AVE W				New Amal. Number	Notice Date
TORONTO ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M9N 3Z9					Letter Date
Mailing Address					NOT APPLICABLE
DIEP NGUYEN 1-2088 LAWRENCE AVE W				Revival Date	Continuation Date
				NOT APPLICABLE	NOT APPLICABLE
TORONTO ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA M9N 3Z9				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189078 Transaction ID: 77001842 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:44Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

1941232	RIVER HILL PHARMACY LTD.

Corporate Name History	Effective Date
RIVER HILL PHARMACY LTD.	2015/09/01

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Amalgamating Corporations	
Corporation Name	Corporate Number
BLESS RIVER PHARMA INC.	2473196
RIVER HILL PHARMACY LTD.	1658510

Request ID: 025189078 Transaction ID: 77001842 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:08:44 Page: 3

# **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

**Corporation Name** 

1941232		RIVER HILL PHARMACY LTD.
Administrator: Name (Individual / Corporation)		Address
DIEP		2088 LAWRENCE AVE W
NGUYEN		
		Suite # 1 TORONTO ONTARIO CANADA M9N 3Z9
Date Began	First Director	
2015/09/01	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y
Administrator:		
Name (Individual / Corporation)		Address
DIEP		
NGUYEN		2088 LAWRENCE AVE W
		Suite # 1 TORONTO ONTARIO CANADA M9N 3Z9
Date Began	First Director	
2015/09/01	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Designation OFFICER

PRESIDENT

**Resident Canadian** 

Y

Request ID: 025189078 Transaction ID: 77001842 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:08:44 Page: 4

#### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

**Corporation Name** 

1941232 RIVER HILL PHARMACY LTD.

Administrator: Name (Individual / Corporation)

Address

DIEP		2088 LAWRENCE AVE W
NGUYEN		Suite # 1 TORONTO ONTARIO
	First Disset	CANADA M9N 3Z9
Date Began	First Director	

2015/09/01	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	Y

Administrator: Name (Individual / Corporation)

DIEP

NGUYEN

Address

2088 LAWRENCE AVE W

Suite # 1 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director	
2015/09/01	NOT APPLICABLE	
Designation	Off	
Designation	Officer Type	Resident Canadian

Date Report Produced:2020/10/27Time Report Produced:10:08:44Page:5

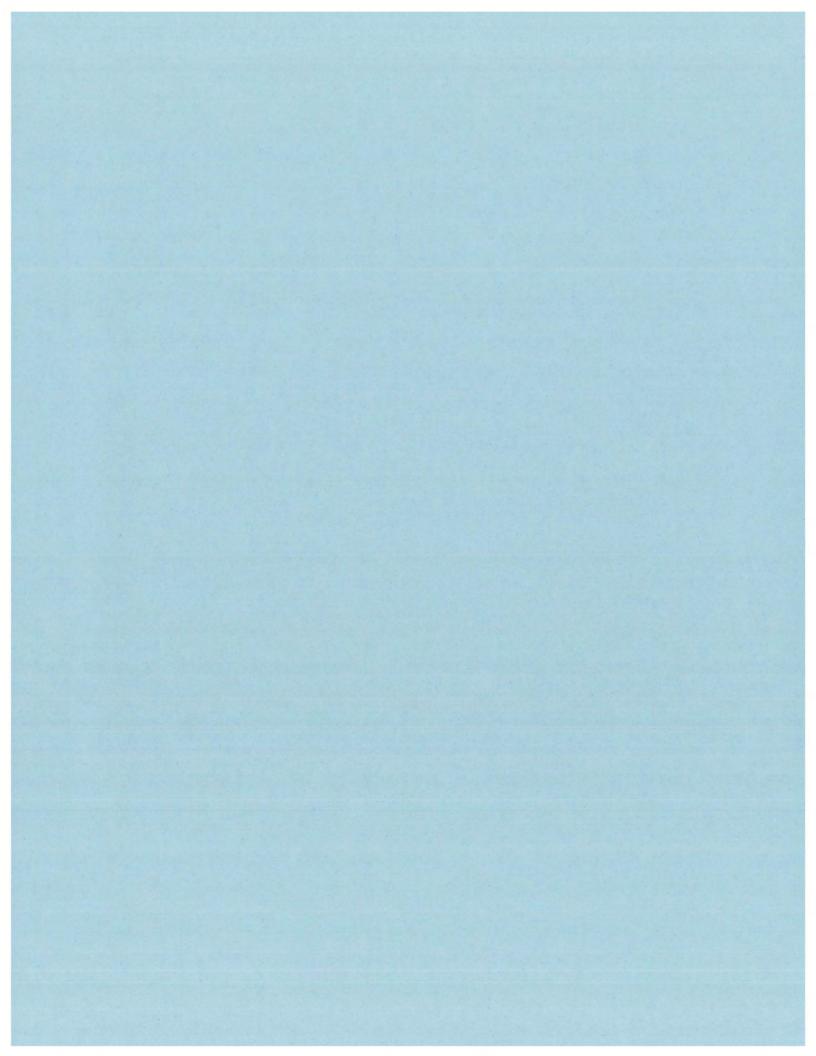
### **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 1941232
 RIVER HILL PHARMACY LTD.

Last Do	cument Recorded		
Act/Cod	le Description	Form	Date
CIA	CHANGE NOTICE	1	2015/09/25 (ELECTRONIC FILING)

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Date Report Produced: 2020/10/27 Time Report Produced: 10:08:23 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2626386	MAPLE MEDI PHAI	RMA INC.			2018/03/20
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
2535 MAJOR MACKENZIE DR				NOT APPLICABLE	NOT APPLICABLE
2555 MAJOR MACKENZIE DR				New Amal. Number	Notice Date
MAPLE ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA L6A 1C6					Letter Date
Mailing Address					NOT APPLICABLE
2535 MAJOR MACKENZIE DRIV	F			Revival Date	Continuation Date
	E			NOT APPLICABLE	NOT APPLICABLE
Suite # 10 MAPLE				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA L6A 1C6				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189072 Transaction ID: 77001829 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:23Page:2

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2626386	MAPLE MEDI PHARMA INC.
Corporate Name History	Effective Date
MAPLE MEDI PHARMA INC.	2018/03/20

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)

CHUN-HO

CHAN

Address

2 SCOTT BROWN STREET

MARKHAM ONTARIO CANADA L6E 1V9

Date Began	First Director
2018/03/20	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

Resident Canadian

Y

Request ID: 025189072 Transaction ID: 77001829 Category ID: UN/E

Province of Ontario Ministry of Government Services

Date Report Produced: 2020/10/27 Time Report Produced: 10:08:23 Page: 3

### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2626386

**Corporation Name** 

MAPLE MEDI PHARMA INC. Administrator: Name (Individual / Corporation) Address CHUN-HO

CHAN

2 SCOTT BROWN STREET

MARKHAM ONTARIO CANADA L6E 1V9

Date Began	First Director	
2018/03/20	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation)

CHUN-HO CHAN

Address

2 SCOTT BROWN STREET

MARKHAM ONTARIO CANADA L6E 1V9

Date Began	First Director
2018/03/20	NOT APPLICABLE
Designation	Officer Type
OFFICER	PRESIDENT

**Resident Canadian** 

Request ID: 025189072 Transaction ID: 77001829 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:23Page:4

#### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2626386

**Corporation Name** 

MAPLE MEDI PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

CHUN-HO

CHAN

2 SCOTT BROWN STREET

MARKHAM ONTARIO CANADA L6E 1V9

Date Began	First Director	
2018/03/20	NOT APPLICABLE	
Designation	Officer Type	Resid
OFFICER	TREASURER	

**Resident Canadian** 

Date Report Produced:2020/10/27Time Report Produced:10:08:23Page:5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2626386
 MAPLE MEDI PHARMA INC.

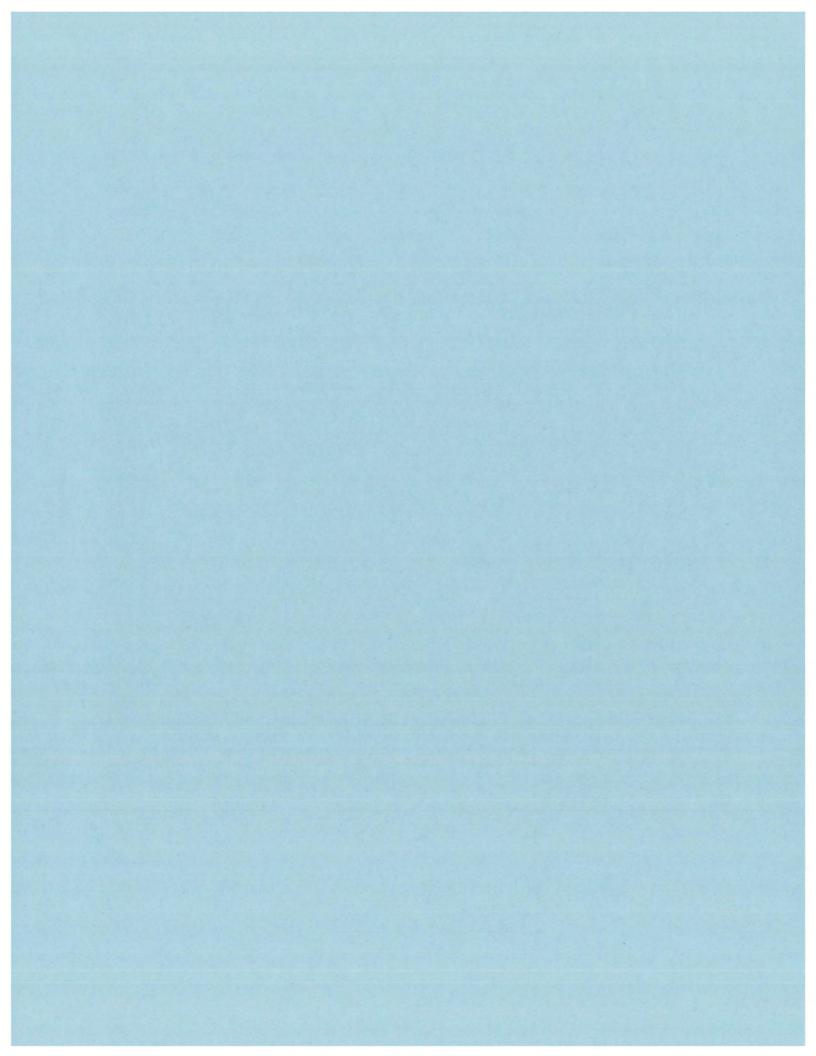
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 Act/Code Description

Form Date

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Date Report Produced: 2020/10/27 Time Report Produced: 10:08:08 Page: 1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2604106	JUBILEE PROPER	TY INVESTM	ENTS INC.		2017/11/01
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
280 WEST BEAVER CREEK RO.				NOT APPLICABLE	NOT APPLICABLE
Suite # 11	AD			New Amal. Number	Notice Date
RICHMOND HILL ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA L4B 3B1					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
280 WEST BEAVER CREEK RO	AD			NOT APPLICABLE	NOT APPLICABLE
Suite # 11 RICHMOND HILL				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA L4B 3B1				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189070 Transaction ID: 77001824 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:08Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2604106 JUBILEE PROPERTY INVESTMENTS INC.

Corporate Name History	Effective Date
JUBILEE PROPERTY INVESTMENTS INC.	2017/11/01

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)

JOHN

GERGES

Address

676 SHEPPARD AVENUE EAST

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type

Request ID:025189070Transaction ID:77001824Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:08Page:3

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

2604106

JOHN

Designation

OFFICER

JOHN

GERGES

**Corporation Name** 

JUBILEE PROPERTY INVESTMENTS INC.

Administrator: Name (Individual / Corporation)

Address

GERGES		676 SHEPPARD AVENUE EAST
GERGES		Suite # 703 TORONTO ONTARIO CANADA M2K 3E7
Date Began	First Director	
2020/08/25	NOT APPLICABLE	

Officer Type

SECRETARY

Administrator:	
Name (Individual / Cor	rporation)

Address

676 SHEPPARD AVENUE EAST

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

**Resident Canadian** 

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID: 025189070 Transaction ID: 77001824 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:08:08Page:4

#### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2604106

**Corporation Name** 

JUBILEE PROPERTY INVESTMENTS INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

676 SHEPPARD AVENUE EAST

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

Date Began	First Director	
2020/08/25	NOT APPLICABLE	
Designation	Officer Turne	Resident Canadian
Designation	Officer Type	Resident Ganadian
OFFICER	TREASURER	Resident Ganadian

Date Report Produced:2020/10/27Time Report Produced:10:08:08Page:5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

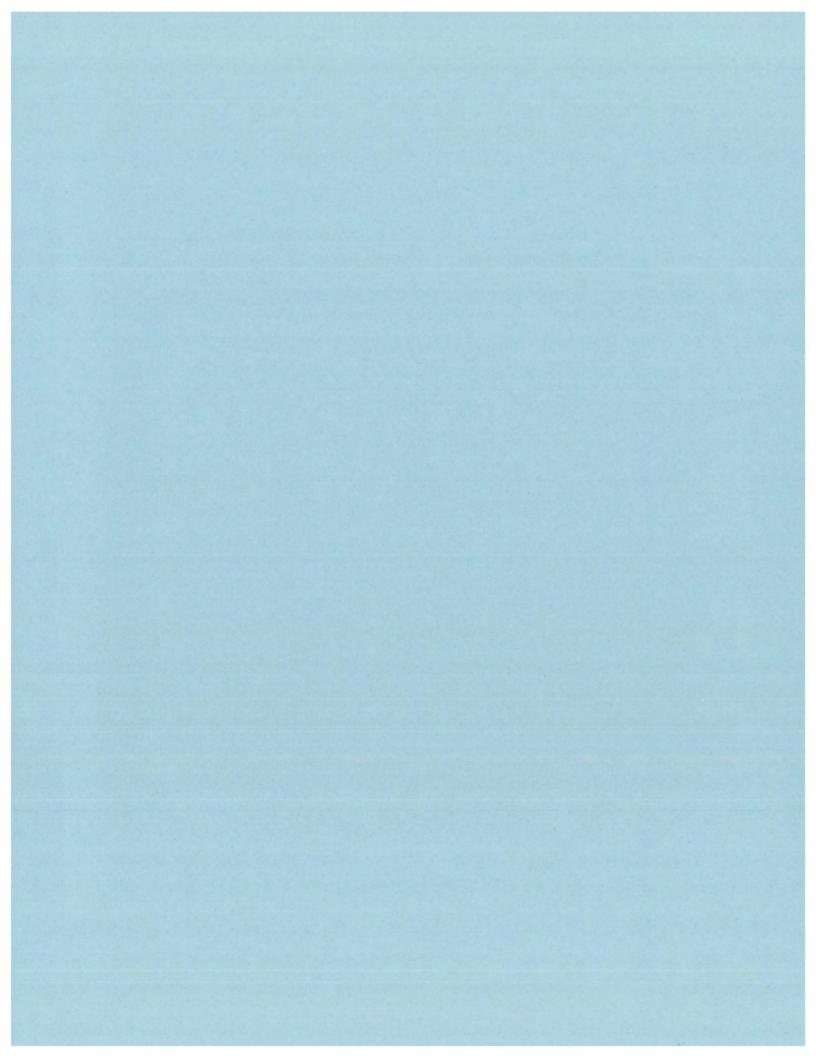
 2604106
 JUBILEE PROPERTY INVESTMENTS INC.

 Last Document Recorded

Act/Cod	e Description	Form	Date
CIA	CHANGE NOTICE	1	2020/08/25 (ELECTRONIC FILING)

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## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2376871	JM WESTVIEW PH	IARMA INC.			2013/06/12
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
676 SHEPPARD AVENUE EAST				NOT APPLICABLE	NOT APPLICABLE
Suite # 703				New Amal. Number	Notice Date
NORTH YORK ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M2K 1B7					Letter Date
Mailing Address					NOT APPLICABLE
676 SHEPPARD AVENUE EAST				Revival Date	Continuation Date
Suite # 703				NOT APPLICABLE	NOT APPLICABLE
NORTH YORK				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA M2K 1B7				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID:025189055Transaction ID:77001789Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:07:18Page:2

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2376871	JM WESTVIEW PHARMA INC.

Corporate Name History	Effective Date
JM WESTVIEW PHARMA INC.	2013/06/12

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator: Name (Individual / Corporatio	on)
DIEP	

NGUYEN

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2020/07/29	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID: 025189055 Transaction ID: 77001789 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:07:18Page:3

### **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2376871

DIEP

**Corporation Name** 

JM WESTVIEW PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

NGUYEN 2088 LAWRENCE AVENUE WEST
Suite # 309
TORONTO
ONTARIO
CANADA M9N 3Z9
Date Began First Director
2020/07/29 NOT APPLICABLE

 Designation
 Officer Type

 OFFICER
 PRESIDENT

**Resident Canadian** 

Administrator: Name (Individual / Corporation) DIEP

NGUYEN

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2020/07/29	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189055 Transaction ID: 77001789 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:07:18Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2376871

**Corporation Name** 

JM WESTVIEW PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

DIEP

NGUYEN

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

First Director
NOT APPLICABLE
Officer Type
TREASURER

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## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

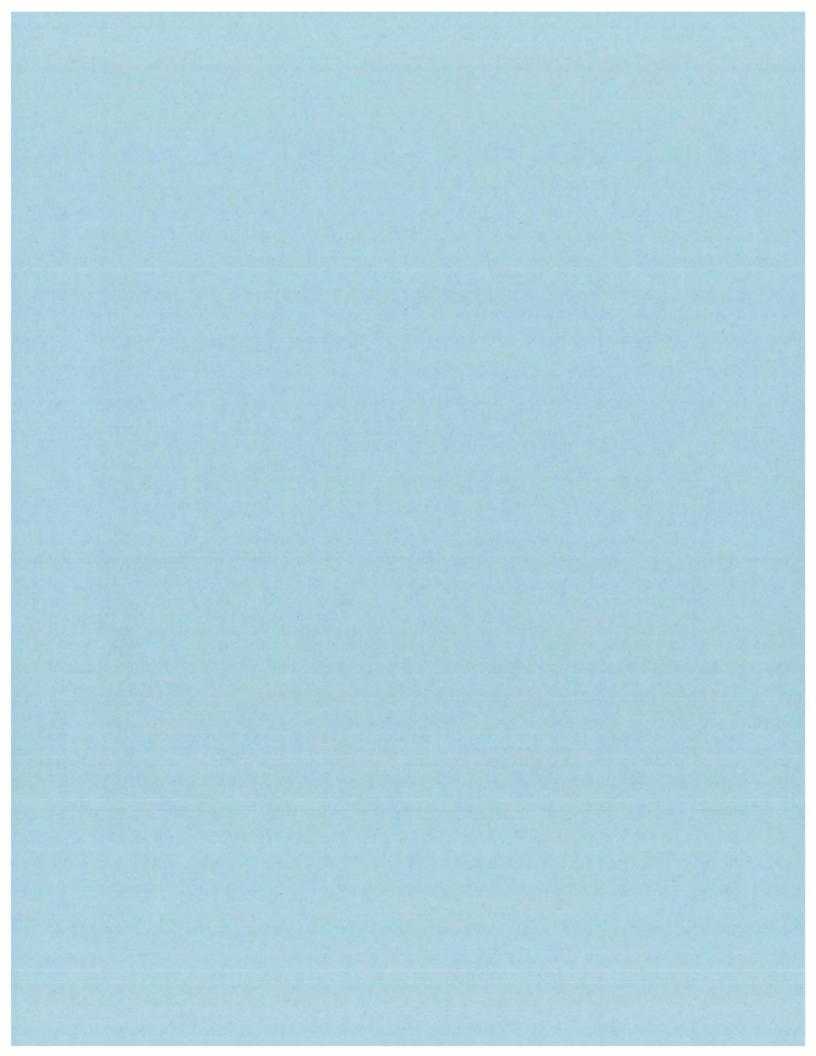
 2376871
 JM WESTVIEW PHARMA INC.

 Last Document Recorded
 Form
 Date

 Act/Code
 Description
 1
 2020/07/30 (ELECTRONIC FILING)

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# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2455889	JIMMY'S GROUP I	NVESTORS I	NC.		2015/02/27
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
GAMAL GERGES 255 BROADVIEW AVENUE				NOT APPLICABLE	NOT APPLICABLE
255 BROADVIEW AVENUE				New Amal. Number	Notice Date
TORONTO				NOT APPLICABLE	NOT APPLICABLE
CANADA M4M 2G6					Letter Date
Mailing Address					NOT APPLICABLE
255 BROADVIEW AVENUE				Revival Date	Continuation Date
255 BROADVIEW AVENUE				NOT APPLICABLE	NOT APPLICABLE
TORONTO ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA M4M 2G6				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189052 Transaction ID: 77001778 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:07:02Page:2

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2455889	JIMMY'S GROUP INVESTORS INC.

Corporate Name History	Effective Date
JIMMY'S GROUP INVESTORS INC.	2015/02/27

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)
SELVIA

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2015/02/27	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Request ID: 025189052 Transaction ID: 77001778 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:07:02 Page: 3

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

2455889

**Corporation Name** 

JIMMY'S GROUP INVESTORS INC.

Administrator: Name (Individual / Corporation)

Address

SALLY

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director	
2015/02/27	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation)

GAMAL

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director
2015/02/27	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID: 025189052 Transaction ID: 77001778 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:07:02Page:4

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2455889

**Corporation Name** 

JIMMY'S GROUP INVESTORS INC.

Administrator: Name (Individual / Corporation)

Address

GAMAL

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

**Resident Canadian** 

Y

Date Began	First Director
2015/02/27	NOT APPLICABLE
Designation	Officer Type
Designation OFFICER	Officer Type PRESIDENT

.

Date Report Produced: 2020/10/27 Time Report Produced: 10:07:02 Page: 5

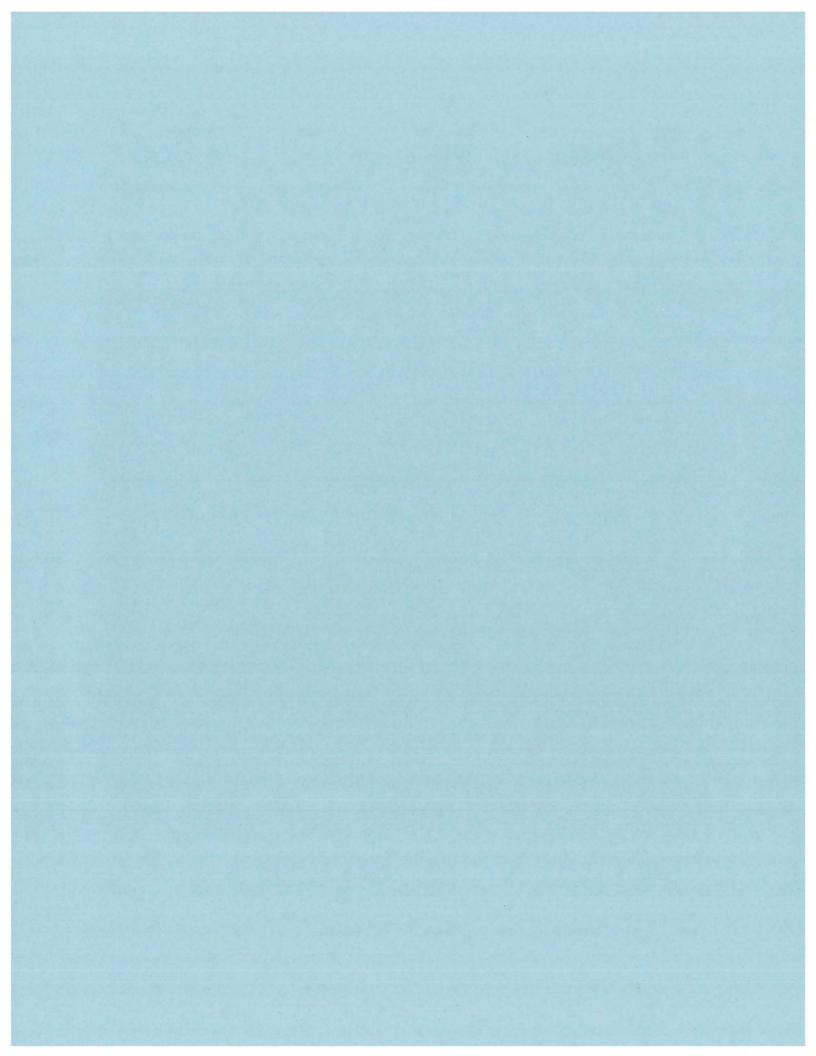
# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name
2455889	JIMMY'S GROUP INVESTORS INC.
Last Document Recorded	

Act/Cod	le Description	Form	Date
CIA	CHANGE NOTICE	1	2020/07/24 (ELECTRONIC FILING)

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## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2465109	JG WINDSOR INC.				2015/05/05
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
2780 TOTTEN STREET				New Amal. Number	Notice Date
WINDSOR				NOT APPLICABLE	NOT APPLICABLE
ONTARIO CANADA N9B 1X8					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
2780 TOTTEN STREET				NOT APPLICABLE	NOT APPLICABLE
WINDSOR				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA N9B 1X8				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number o Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189044 Transaction ID: 77001766 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:38Page:2

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2465109	JG WINDSOR INC.

Corporate Name History	Effective Date
JG WINDSOR INC.	2015/05/05

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)
JOHN

GERGES

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director	
2020/08/25	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Request ID: 025189044 Transaction ID: 77001766 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:06:38 Page: 3

## **CORPORATION PROFILE REPORT**

#### **Ontario Corp Number**

2465109

Corporation Name

JG WINDSOR INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

JOHN

GERGES

GERGES

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

First Director
NOT APPLICABLE
Officer Type
PRESIDENT

**Resident Canadian** 

Administrator: Name (Individual / Corporation)

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189044 Transaction ID: 77001766 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:38Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2465109

**Corporation Name** 

JG WINDSOR INC.

Address

Administrator: Name (Individual / Corporation)

JOHN

GERGES

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type
OFFICER	TREASURER

Date Report Produced:2020/10/27Time Report Produced:10:06:38Page:5

## **CORPORATION PROFILE REPORT**

Ontario Corp Number 2465109 Corporation Name

2020/08/25 (ELECTRONIC FILING)

Last Document Recorded
Act/Code Description Form

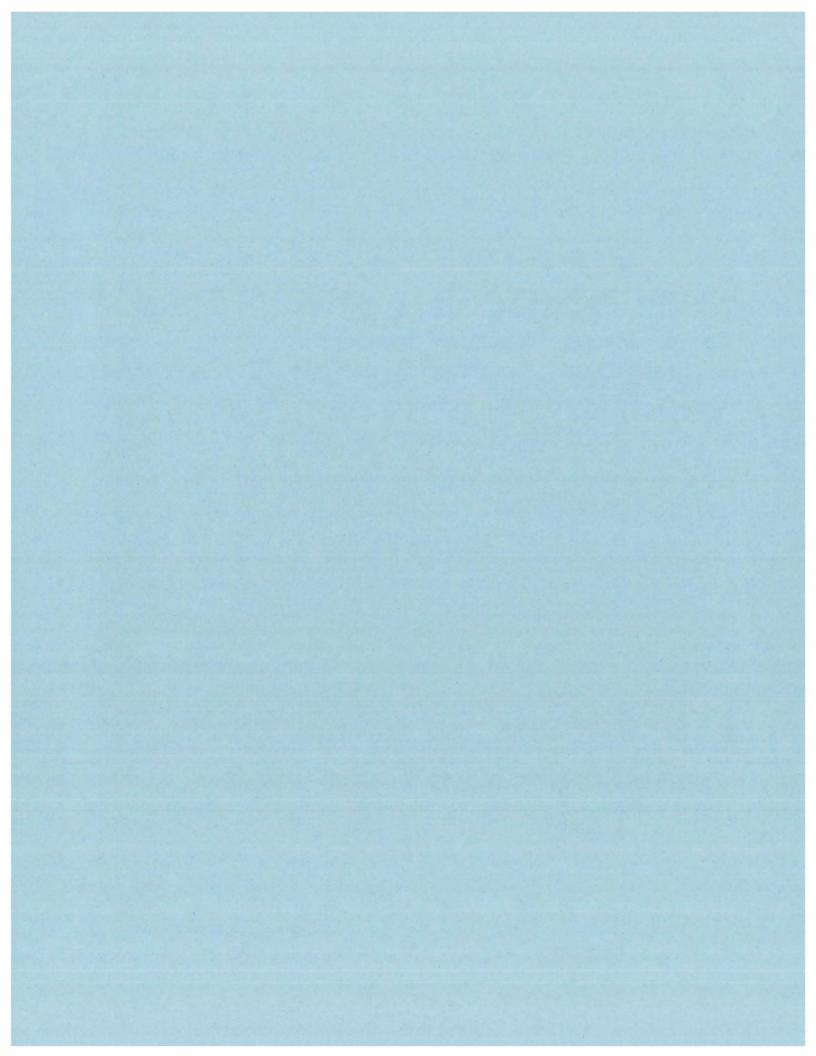
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Date

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1



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# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2415213	BLESS PHARMA I	NC.			2014/04/16
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
721 GERRARD ST E				New Amal. Number	Notice Date
TORONTO ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M4M 1Y5					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
721 GERRARD STREET EAST				NOT APPLICABLE	NOT APPLICABLE
TORONTO ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA M4M 1Y5				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID:025189042Transaction ID:77001756Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:22Page:2

# **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

**Corporation Name** 

2415213	BLESS PHARMA INC.

Corporate Name History	Effective Date
BLESS PHARMA INC.	2014/04/16

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator: Name (Individual / Corporation)	
JOHN	

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director
2014/04/16	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

Resident Canadian

Y

Request ID:025189042Transaction ID:77001756Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:22Page:3

# **CORPORATION PROFILE REPORT**

#### **Ontario Corp Number**

2415213

**Corporation Name** 

BLESS PHARMA INC.

Administrator: Name (Individual / Corporation)		Address
JOHN		14774 WOODBINE AVENUE
GERGES		14774 WOODDINE AVENUE
		GORMLEY ONTARIO CANADA L0H 1G0
Date Began	First Director	

•		
2014/04/16	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	PRESIDENT	Y

Administrator: Name (Individual / Corporation)

JOHN

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director
2016/02/16	NOT APPLICABLE
Designation	Officer Type
OFFICER	TREASURER

Request ID: 025189042 Transaction ID: 77001756 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:06:22 Page: 4

### **CORPORATION PROFILE REPORT**

Ontario Corp Number

2415213

Corporation Name

BLESS PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director
2016/02/16	NOT APPLICABLE
Designation	Officer Type
Designation OFFICER	Officer Type I SECRETARY

Date Report Produced: 2020/10/27 Time Report Produced: 10:06:22 Page: 5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2415213
 BLESS PHARMA INC.

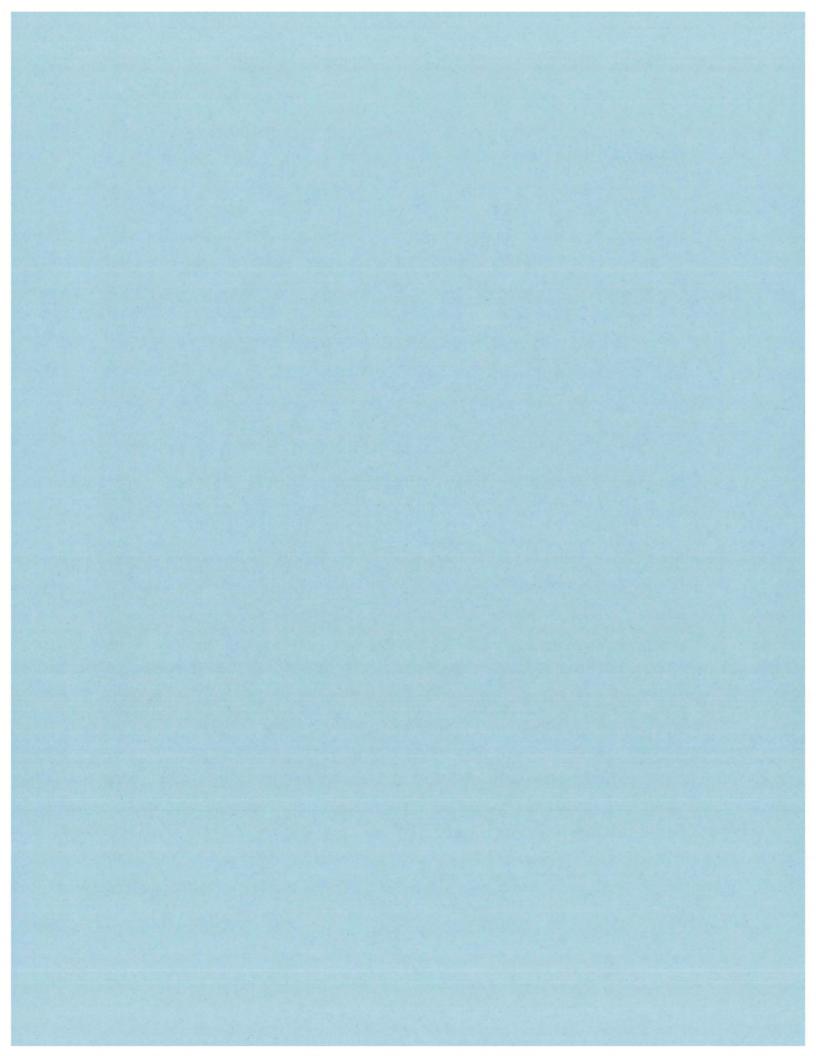
 Last Document Recorded
 Date

 Act/Code Description
 Form
 Date

 CIA
 ANNUAL RETURN 2018
 1C
 2019/04/14 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS. ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Date Report Produced:2020/10/27Time Report Produced:10:06:06Page:1

# **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2455863	BLESS JIMMY'S P	HARMA INC.			2015/02/27
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
255 BROADVIEW AVE				NOT APPLICABLE	NOT APPLICABLE
255 BROADVIEW AVE				New Amal. Number	Notice Date
TORONTO ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M4M 2G6					Letter Date
Mailing Address					NOT APPLICABLE
JOHN GERGES 255 BROADVIEW AVENUE				Revival Date	Continuation Date
255 BROADVIEW AVENUE				NOT APPLICABLE	NOT APPLICABLE
TORONTO ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA M4M 2G6				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number o Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025189037 Transaction ID: 77001744 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:06Page:2

# **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2455863	BLESS JIMMY'S PHARMA INC.

Corporate Name History	Effective Date
BLESS JIMMY'S PHARMA INC.	2015/02/27

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator: Name (Individual / Corporation)
JOHN

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First
2015/02/27	NOT
Designation	Office
DIRECTOR	

First Director NOT APPLICABLE Officer Type

Resident Canadian

Y

Address

Request ID:	025189037
Transaction ID:	77001744
Category ID:	UN/E

Date Report Produced:2020/10/27Time Report Produced:10:06:06Page:3

# **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2455863

**Corporation Name** 

BLESS JIMMY'S PHARMA INC.

Administrator: Name (Individual / Corporation) JOHN GERGES GORMLEY ONTARIO CANADA LOH 1G0

Date Began	First Director	
2015/02/27	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	PRESIDENT	Y

Administrator: Name (Individual / Corporation)

GAMAL

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director
2015/02/27	NOT APPLICABLE
Designation	Officer Type
OFFICER	SECRETARY

Request ID: 025189037 Transaction ID: 77001744 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:06:06Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2455863

Corporation Name

BLESS JIMMY'S PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

XUZAN

NANA

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2015/02/27	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	TREASURER	

Date Report Produced:2020/10/27Time Report Produced:10:06:06Page:5

## **CORPORATION PROFILE REPORT**

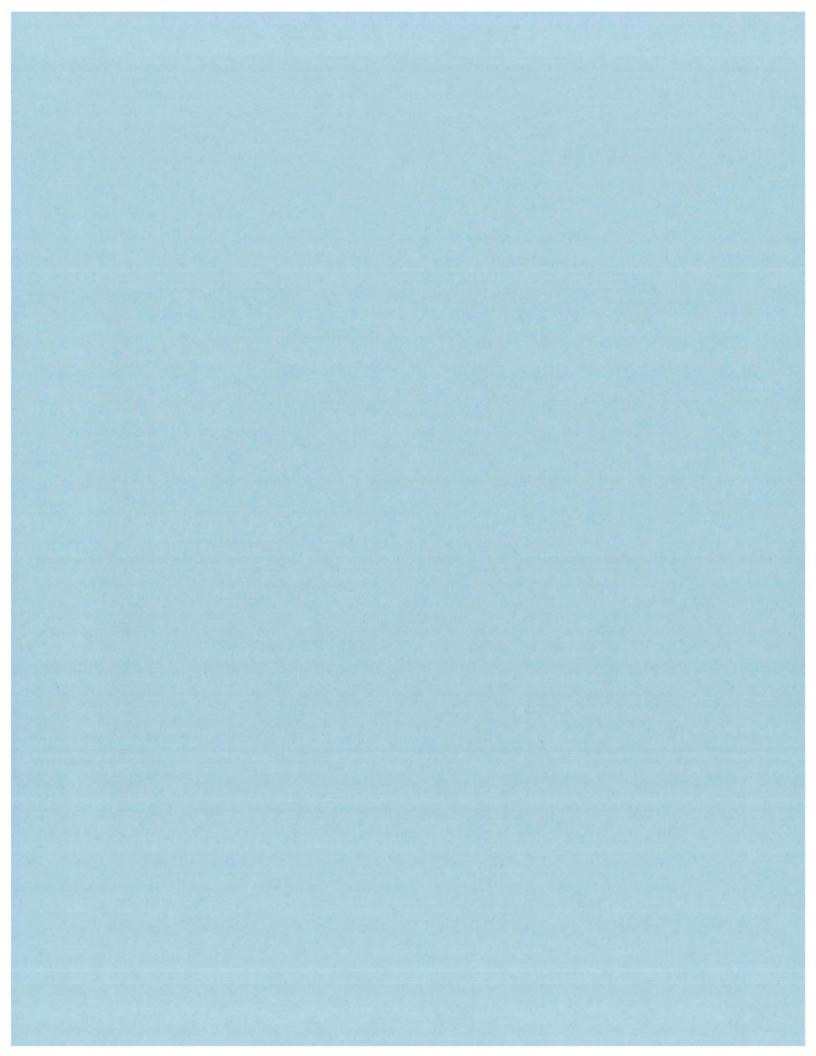
 Ontario Corp Number
 Corporation Name

 2455863
 BLESS JIMMY'S PHARMA INC.

 Last Document Recorded
 Last Document Recorded

Act/Cod	le Description	Form	Date
CIA	ANNUAL RETURN 2017	1C	2018/07/08 (ELECTRONIC FILING)

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Date Report Produced: 2020/10/27 Time Report Produced: 10:05:38 Page: 1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2625973	4231 SHEPPARD A	VENUE EAS	T INC.		2018/03/19
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
676 SHEPPARD AVENUE EAST				NOT APPLICABLE	NOT APPLICABLE
Suite # 703				New Amal. Number	Notice Date
TORONTO ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA M2K 3E7					Letter Date
Mailing Address					NOT APPLICABLE
676 SHEPPARD AVENUE EAST				Revival Date	Continuation Date
				NOT APPLICABLE	NOT APPLICABLE
Suite # 703 TORONTO				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA M2K 3E7				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID: 025189029 Transaction ID: 77001726 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:05:38Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2625973 4231 SHEPPARD AVENUE EAST INC.

Corporate Name History	Effective Date
4231 SHEPPARD AVENUE EAST INC.	2019/10/17
YONGE RICHMOND HOLDINGS INC.	2018/03/19

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)

JOHN

1

GERGES

Address

676 SHEPPARD AVENUE EAST

.

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189029 Transaction ID: 77001726 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:05:38Page:3

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2625973

**Corporation Name** 

4231 SHEPPARD AVENUE EAST INC.

Administrator: Name (Individual / Corporation)

Address

JOHN 676 SHEPPARD AVENUE EAST
GERGES
Suite # 703
TORONTO
ONTARIO
CANADA M2K 3E7
Date Began First Director
2020/08/25 NOT APPLICABLE

Dute Deguin	1 HOLDHOOLOI	
2020/08/25	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	

Administrator: Name (Individual / Corporation)

JOHN

GERGES

Address

676 SHEPPARD AVENUE EAST

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189029 Transaction ID: 77001726 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:05:38Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2625973

**Corporation Name** 

4231 SHEPPARD AVENUE EAST INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

676 SHEPPARD AVENUE EAST

Suite # 703 TORONTO ONTARIO CANADA M2K 3E7

Date Began	First Director
2020/08/25	NOT APPLICABLE
Designation	Officer Type
<b>-</b>	
DIRECTOR	

**Resident Canadian** 

Y

Date Report Produced: 2020/10/27 Time Report Produced: 10:05:38 Page: 5

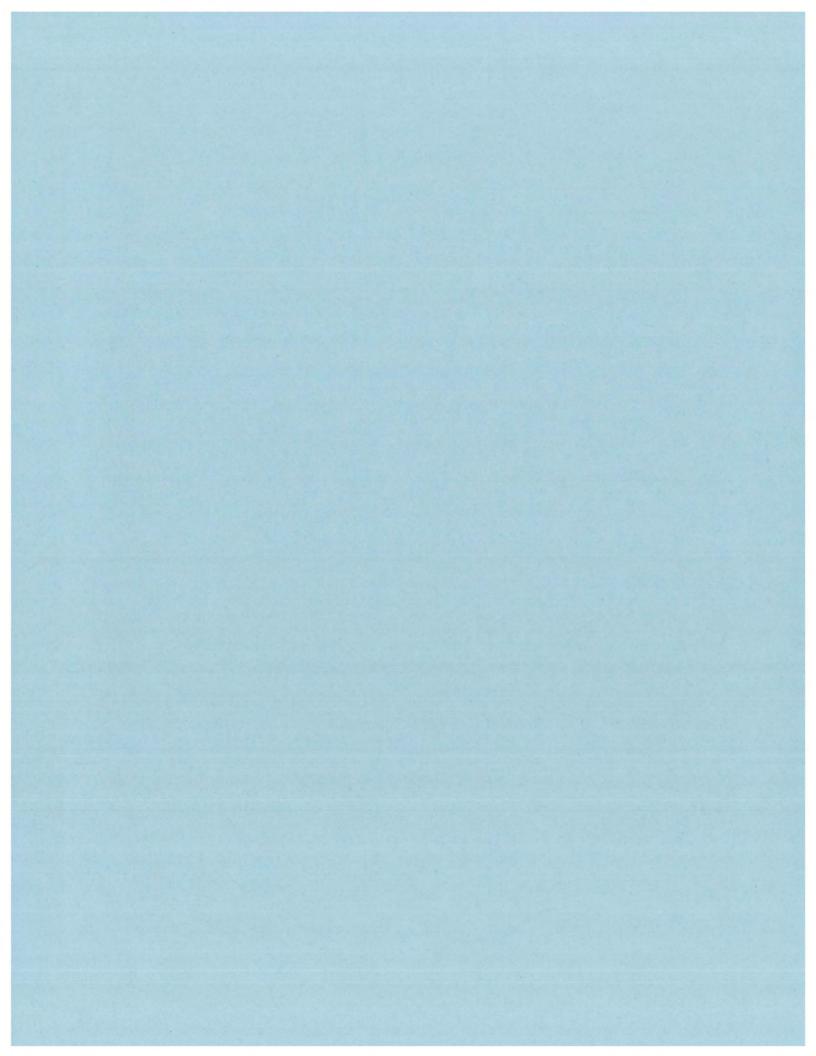
## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2625973
 4231 SHEPPARD AVENUE EAST INC.

	ocument Recorded de Description	Form	Date
CIA	CHANGE NOTICE	1	2020/08/25 (ELECTRONIC FILING)

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Date Report Produced:2020/10/27Time Report Produced:10:22:54Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2583643	SJ EAST PHARMA	INC.			2017/06/20
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
12 ELIZABETH STREET				New Amal. Number	Notice Date
BRIGHTON ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA KOK 1H0					Letter Date
Mailing Address					NOT APPLICABLE
12 ELIZABETH STREET				Revival Date	Continuation Date
IZ ELIZADE IN SIREEI				NOT APPLICABLE	NOT APPLICABLE
BRIGHTON				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA K0K 1H0				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number o Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID: 025189274 Transaction ID: 77002354 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:22:54Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

Corporate Name History	
2583643	SJ EAST PHARMA INC.

SJ EAST PHARMA INC.

2017/06/20

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)

DIEP

NGUYEN

Address

2088 LAWRENCE AVENUE WEST Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2017/06/20	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID:025189274Transaction ID:77002354Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:22:54Page:3

# **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2583643

**Corporation Name** 

SJ EAST PHARMA INC.

Administrator: Name (Individual / Corporation)		Address
DIEP		2088 LAWRENCE AVENUE WEST
NGUYEN		
		Suite # 309 TORONTO
		ONTARIO CANADA M9N 3Z9
Date Began	First Director	
2017/06/20	NOT APPLICABLE	

Date Began	First Director	
2017/06/20	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation) DIEP

NGUYEN

Address

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2020/03/02	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189274 Transaction ID: 77002354 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:22:54Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2583643

**Corporation Name** 

SJ EAST PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

DIEP

NGUYEN

2088 LAWRENCE AVENUE WEST

Suite # 309 TORONTO ONTARIO CANADA M9N 3Z9

Date Began	First Director
2020/03/02	NOT APPLICABLE
Designation	Officer Type
OFFICER	SECRETARY

Date Report Produced: 2020/10/27 Time Report Produced: 10:22:54 Page: 5

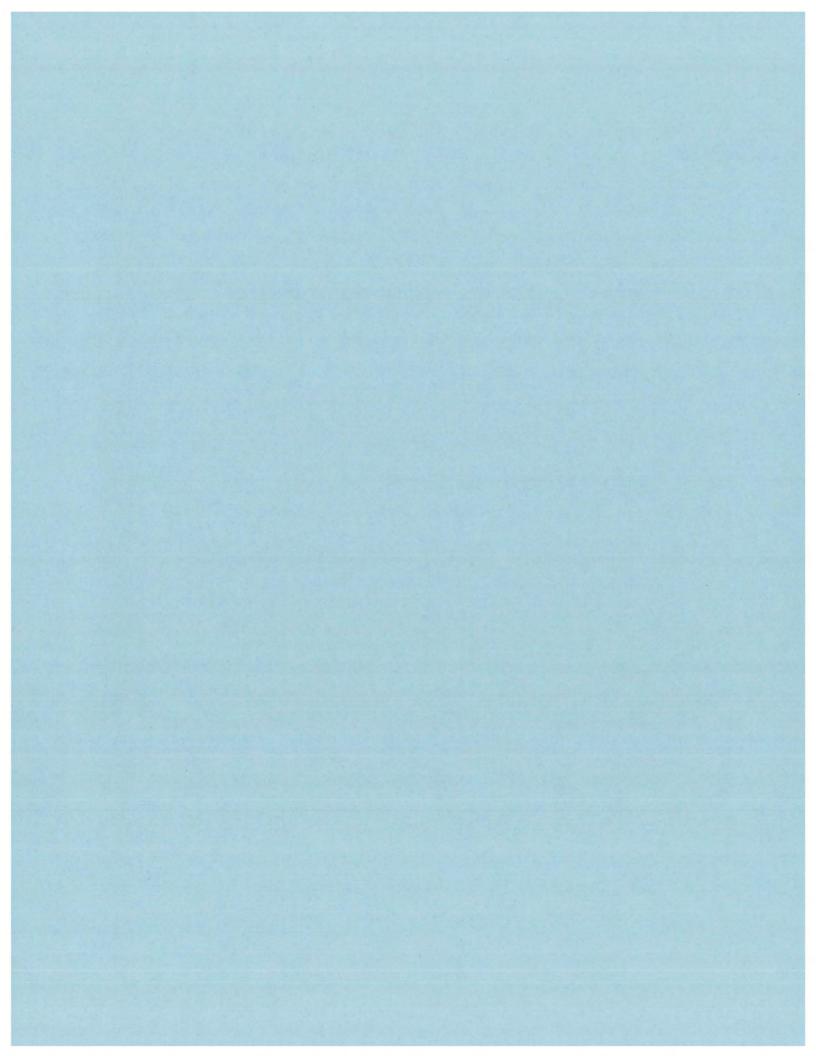
## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2583643
 SJ EAST PHARMA INC.

	cument Recorded le Description	Form	Date
CIA	ANNUAL RETURN 2020	1C	2020/07/12 (ELECTRONIC FILING)

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## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2503338	2503338 ONTARIO	INC.			2016/02/04
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
				NOT APPLICABLE	NOT APPLICABLE
14774 WOODBINE AVENUE				New Amal. Number	Notice Date
GORMLEY ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA LOH 1G0					Letter Date
Mailing Address					NOT APPLICABLE
				Revival Date	Continuation Date
14774 WOODBINE AVENUE				NOT APPLICABLE	NOT APPLICABLE
GORMLEY				Transferred Out Date	Cancel/Inactive Date
ONTARIO CANADA L0H 1G0				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID: 025189611 Transaction ID: 77003233 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:54:29Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2503338	2503338 ONTARIO INC.

Corporate Name History	Effective Date
2503338 ONTARIO INC.	2016/02/04

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)
JOHN
GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

**Resident Canadian** 

Y

Date Began	First Director
2016/02/04	NOT APPLICABLE
Designation	0.00
Designation	Officer Type

Request ID:	025189611
Transaction ID:	77003233
Category ID:	UN/E

Date Report Produced:2020/10/27Time Report Produced:10:54:29Page:3

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2503338	2503338 ONTARIO INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2016/02/04	NOT APPLICABLE	
Designation	0/// T	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation) JOHN

GERGES

Address

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2016/02/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	Y

2

Request ID: 025189611 Transaction ID: 77003233 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:54:29Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2503338

**Corporation Name** 

2503338 ONTARIO INC.

Administrator: Name (Individual / Corporation)

Address

JOHN

GERGES

14774 WOODBINE AVENUE

GORMLEY ONTARIO CANADA L0H 1G0

Date Began	First Director	
2016/02/04	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Date Report Produced:2020/10/27Time Report Produced:10:54:29Page:5

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

**Corporation Name** 

2503338

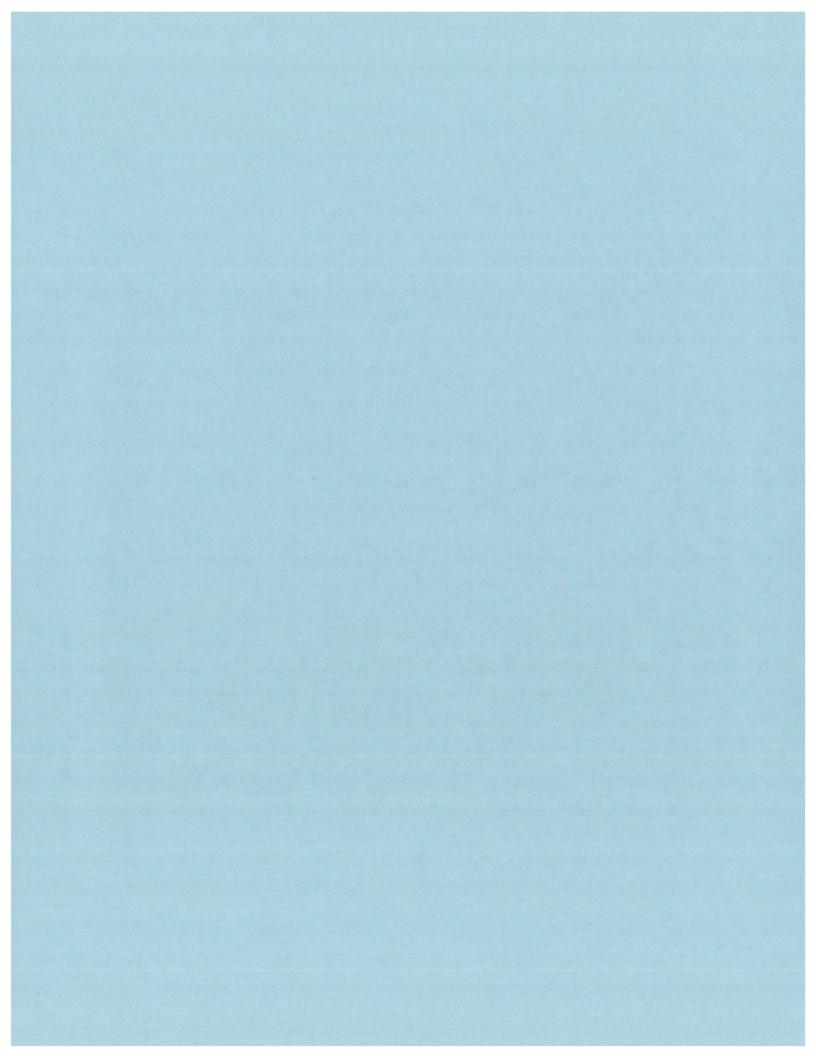
2503338 ONTARIO INC.

 Last Document Recorded
 Form
 Date

 Act/Code
 Description
 Form
 Date

 CIA
 INITIAL RETURN
 1
 2016/03/01

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Date Report Produced:2020/10/27Time Report Produced:10:54:54Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2650542	ST. MARY COOKS	VILLE PHAR	MA INC.		2018/08/15
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
3035 HURONTARIO STREET				NOT APPLICABLE	NOT APPLICABLE
3033 HURONTARIO STREET				New Amal. Number	Notice Date
MISSISSAUGA ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA L5A 2G9					Letter Date
Mailing Address					NOT APPLICABLE
3035 HURONTARIO STREET				Revival Date	Continuation Date
5055 HURONTARIO STREET				NOT APPLICABLE	NOT APPLICABLE
MISSISSAUGA ONTARIO				Transferred Out Date	Cancel/Inactive Date
CANADA L5A 2G9				NOT APPLICABLE	NOT APPLICABLE
				EP Licence Eff.Date	EP Licence Term.Date
				NOT APPLICABLE	NOT APPLICABLE
		Number of Minimum	f Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
Activity Classification		00001	00010	NOT APPLICABLE	NOT APPLICABLE

NOT AVAILABLE

Request ID: 025189617 Transaction ID: 77003245 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:54:54Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2650542 ST. MARY COOKSVILLE PHARMA INC.

Corporate Name History	Effective Date
ST. MARY COOKSVILLE PHARMA INC.	2018/08/15

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation) SANDRA

YOUSSEF

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

**Resident Canadian** 

Y

Date Began	First Director
2018/08/15	NOT APPLICABLE
Designation	0#
Designation	Officer Type

Request ID: 025189617 Transaction ID: 77003245 Category ID: UN/E

Province of Ontario Ministry of Government Services Date Report Produced: 2020/10/27 Time Report Produced: 10:54:54 Page: 3

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2650542

**Corporation Name** 

ST. MARY COOKSVILLE PHARMA INC.

Administrator: Name (Individual / Corporation)

SANDRA

Address

676 SHEPPARD AVENUE EAST YOUSSEF Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7 Date Began **First Director** 2018/08/15 NOT APPLICABLE Designation Officer Type **Resident Canadian** 

SECRETARY

Administrator: Name (Individual / Corporation) SANDRA

YOUSSEF

OFFICER

Address

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

Date Began	First Director
2018/08/15	NOT APPLICABLE
Designation	Officer Type

Request ID: 025189617 Transaction ID: 77003245 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/27Time Report Produced:10:54:54Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2650542

**Corporation Name** 

ST. MARY COOKSVILLE PHARMA INC.

Administrator: Name (Individual / Corporation)

Address

SANDRA

YOUSSEF

676 SHEPPARD AVENUE EAST

Suite # 703 NORTH YORK ONTARIO CANADA M2K 1B7

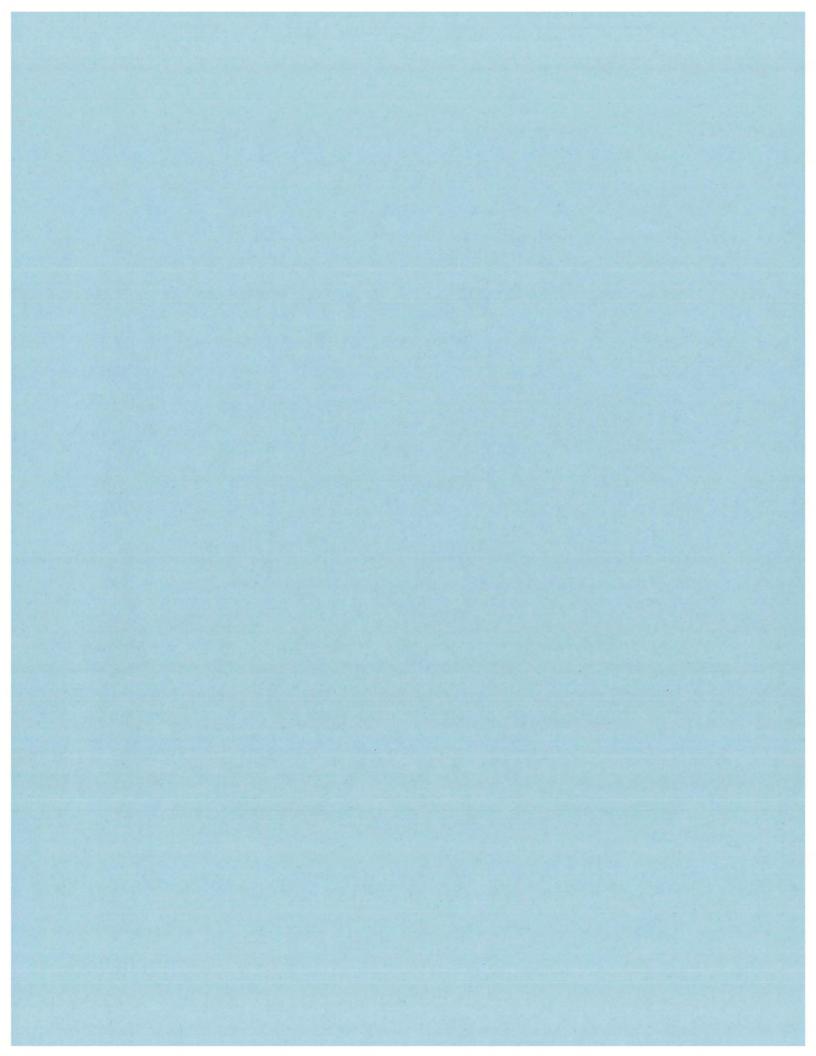
Date Began	First Director
2018/08/15	NOT APPLICABLE
Designation	Officer Type
Designation OFFICER	Officer Type TREASURER

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name
2650542	ST. MARY COOKSVILLE PHARMA INC.

Last Document Recorded			
Act/Cod	le Description	Form	Date
CIA	ANNUAL RETURN 2019	1C	2020/05/03 (ELECTRONIC FILING)

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Date Report Produced:2020/10/29Time Report Produced:08:31:02Page:1

## **CORPORATION PROFILE REPORT**

Ontario Corp Number	Corporation Name				Incorporation Date
2654854	OLDE WALKERVIL	LE HOLDING	S INC.		2018/09/12
					Jurisdiction
					ONTARIO
Corporation Type	Corporation Status				Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE				NOT APPLICABLE
Registered Office Address				Date Amalgamated	Amalgamation Ind.
870 ERIE STREET EAST				NOT APPLICABLE	NOT APPLICABLE
of the STREET EAST				New Amal. Number	Notice Date
WINDSOR ONTARIO				NOT APPLICABLE	NOT APPLICABLE
CANADA N9A 3Y6					Lattar Data
CANADA NOACTO					Letter Date
Mailing Address					NOT APPLICABLE
Mailing Address				Revival Date	
				Revival Date	NOT APPLICABLE
Mailing Address 870 ERIE STREET EAST WINDSOR					NOT APPLICABLE Continuation Date
Mailing Address 870 ERIE STREET EAST				NOT APPLICABLE	NOT APPLICABLE Continuation Date NOT APPLICABLE
Mailing Address 870 ERIE STREET EAST WINDSOR ONTARIO				NOT APPLICABLE Transferred Out Date	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date
Mailing Address 870 ERIE STREET EAST WINDSOR ONTARIO				NOT APPLICABLE Transferred Out Date NOT APPLICABLE	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date NOT APPLICABLE
Mailing Address 870 ERIE STREET EAST WINDSOR ONTARIO		Number of Minimum	f Directors Maximum	NOT APPLICABLE Transferred Out Date NOT APPLICABLE EP Licence Eff.Date	NOT APPLICABLE Continuation Date NOT APPLICABLE Cancel/Inactive Date NOT APPLICABLE EP Licence Term.Date

NOT AVAILABLE

Request ID: 025201354 Transaction ID: 77031741 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/29Time Report Produced:08:31:02Page:2

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

**Corporation Name** 

2654854 OLDE WALKERVILLE HOLDINGS INC.

Corporate Name History	Effective Date
OLDE WALKERVILLE HOLDINGS INC.	2018/09/12

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation) RAMACHANDRAN RAMAPATHY

Address

25 PALOMINO CRESCENT

TORONTO ONTARIO CANADA M2K 1W2

Date Began	First Director
2018/09/12	NOT APPLICABLE
Designation	Officer Type

Request ID: 025201354 Transaction ID: 77031741 Category ID: UN/E Province of Ontario Ministry of Government Services Date Report Produced:2020/10/29Time Report Produced:08:31:02Page:3

## **CORPORATION PROFILE REPORT**

**Ontario Corp Number** 

2654854

**Corporation Name** 

OLDE WALKERVILLE HOLDINGS INC.

Administrator: Name (Individual / Corporation)

Address

RAMACHANDRAN

RAMAPATHY

25 PALOMINO CRESCENT

TORONTO ONTARIO CANADA M2K 1W2

Date Began	First Director	
2018/09/12	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian

Administrator: Name (Individual / Corporation)

RAMACHANDRAN

RAMAPATHY

Address

25 PALOMINO CRESCENT

TORONTO ONTARIO CANADA M2K 1W2

Date Began	First Director
2018/09/12	NOT APPLICABLE
Designation	Officer Type
DIRECTOR	

**Resident Canadian** 

Y

Request ID:025201354Transaction ID:77031741Category ID:UN/E

Province of Ontario Ministry of Government Services Date Report Produced:2020/10/29Time Report Produced:08:31:02Page:4

## **CORPORATION PROFILE REPORT**

Ontario Corp Number

2654854

**Corporation Name** 

OLDE WALKERVILLE HOLDINGS INC.

Administrator: Name (Individual / Corporation)

Address

RAMACHANDRAN

RAMAPATHY

25 PALOMINO CRESCENT

TORONTO ONTARIO CANADA M2K 1W2

Date Began	First Director
2018/09/12	NOT APPLICABLE
Designation	Officer Type
OFFICER	PRESIDENT

Date Report Produced:2020/10/29Time Report Produced:08:31:02Page:5

## **CORPORATION PROFILE REPORT**

 Ontario Corp Number
 Corporation Name

 2654854
 OLDE WALKERVILLE HOLDINGS INC.

 Last Document Recorded
 Image: Corporation Name

Act/Cod	e Description	Form	Date
CIA	INITIAL RETURN	1	2018/09/25 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS. ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

Tab B

This is **Exhibit "B"** referred to in the Affidavit of TED (EDWARD) HOPKINSON and SWORN BEFORE ME via video-conference with the deponent in the City of Bryn Mawr, in the State of Pennsylvania, United States of America, and the Commissioner in the City of Toronto, Ontario this 30th day of October, 2020

> DocuSigned by: United States A4011B3271544AF

A Commissioner for Taking Affidavits

Tamie Dolny

## **DEBTOR 1: 4321**

### CWB Maxdum Financial Inc. Guarantee

## 1. CUSTOMER GUARANTEED

## The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial line. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or joinity with others, whether absolute or contingent, whether matured or not matured, and whethor for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantoes, letters of credit, indemnities together with all costs and expenses, Induring legal fees and expenses, indured by us In connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

## 3. THE NATURE OF YOUR LABILITY

Your liability under this Guarantee Is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any chanze in control of the Customer lif the Customer is a compration)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to yoy, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or countercialm that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

### 7, REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this <u>21</u> day of <u>CC-10547</u>, <u>2019</u>. IN WITNESS WHEREOF: BY: <u>Mile portable</u> Name: <u>Marsha</u> Persound.

## Guarantee

## 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest. we may from time to time hold balore being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division

## 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us Indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or Ineffective against the Customer (Including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

### 11. POSTPONED SUBBOGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee. and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

### 13, ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or In the future held by us. There are no representations, collateral agreements, warrantiles, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

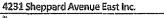
### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

### 19. DEFINITIONS

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

BY:	A
	John Gerges



## 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

## 4231 Sheppard Avenue East Inc.

2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sub instalments and obligations, and any other debis and liabilities (collectively, the "Obligations"), both direct and indirect, (whether instance alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

### 3. THE NATURE OF YOUR LIABILITY

Your Bability under this Guarantee & CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Oustomer or the granting of any indulgence or concession to the Oustomer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your fability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sele or otherwise)
- any charge in the Customer's finandal condition
- any charge in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer Is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Oreditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fieldciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waivad

### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty [as a fidudary or otherwise] and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly walved by you. to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our whild instandurd, all as though such payment had not been made.

Dated this 21 day of October 2019

Resident Medical Group Inc.

BY: Saltfutty

Title:

president

8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other porson (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

## 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

## 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive thirdentis in respect of that claim because you assign to us your right to prove your claim and receive dividends.

### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

## 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or ossigned.

### 16, GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you interocably submit to the exclusive jurisdiction of the courts of that province.

### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without Invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warrantee, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or meation of all or any of the Obligations, presentment, demark, notice of dishonor, protest and all other notices whatsoover.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

### 19, DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Name;

Title:

**DEBTOR 2: BJPI** 

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (whit, logisther with the Custome's successors, helps and essigns, shall be releated to herein as the "Ousionner").

# Bless Jimmy's Pharma inc.

2. OELIGATIONS GUARANTEED

In considerational Maxium Francial Soviets Inc. (relarined to as "we", "our", "ours" and "us" in this Guarantee) dealing withor contruing to deal with the Customer, you guarantee payment is us an demand, of all present and ture lease payments and obligations, conditional sale instainers and obligations, and any other debts and labilities (collectively, the "Customer", both direct and bridget instant debts of any other debts and labilities (collectively, the "Customer", both direct and bridget instant debts of any other debts and labilities (collectively, the "Customer", both direct and bridget instant debts, guarantees, lease of costing with debts of a labolities (collectively, the "Customer", both direct and bridget instant debts, guarantees, lease of costing with debts, guarantees, lease of costing with debts of a labolities (collectively, and all guarantees) and labolities (collectively, and all guarantees) and labolities (collectively, and all guarantees) and the cost of the customer of a labolities (collectively). indemnities together with all costs and expenses, the tring legel lees and expenses, incurred by us in connection with its dealings with the Customer, You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LABILITY

Your fability under this Guarantee is CONTINUING, absolute and unconditional. It will not be United, reduced, or otherwise allocated by any one or mone of the billowing events:

- The unerforceability of the Obligations, any security, or any of our other rights against the Oustomer or any cher peson
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- not providing our claim in a beningion of the Quatomas or not proving our claim in (u)
- any event whatsoever that might be a defence available to the Quatement on its obligation or a defence to you under this Quarantee, all of which are hereby waived

#### 4. MAXIM NOT LIABLE

We do not owe you any duty (as a folcoary or otherwise) and you hereby weive any right to make any claim or courterchain and to raise any right of set oil, equilable or offenvise, arising hom any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shell you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any mosivers appointed by us, in the course of any of our actions or their actions.

# 5. TERMINATING FURTHER LIABLITY

You may cancel this Guarantee for any Soure Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of selon or counterchaim that you have or may have against us or the Oustomer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are autionized upon any amounts being payable by you to us hereunder, without notes, any such notes being expressly waived by you, to sebuil, appropriate and apply any and all deposits and any other indebidiness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shell continue to be effective or shell be reinstated, as the case may be, if at any fine any payment (in whole or in path) of any of the Oxigations is restricted or must otherwise be returned or restread by us by reason of the treatwardy, barkwaity or recognization of the Oxigations or for any other encounter heading our wall interconduct, all as folgoin such payment had not been made.

# & APPLICATION OF MONEYS RECEIVED

We may, whout notice, apply all moneys received from you, or the Customer or any other param (including under any security that we may born time to time hold) to such part of the Outligations as we, In our electricity discretion, consider appropriate. We may also revolve and alter any such application.

# 9. EXHALISTING RECOURSE

Wo do not read to exhaust due recourse against the Oustomer or any other paraon or under any security interest vermay from time to time hold before being entited to full payment from you under this Guerense. You waive all benefits of discussion and division.

# 10. INDEMATY

As an original and Independent obligation under this Guarantee, you shall (a) Indemnify us and keep us indemnified against any cost, loss, expanse or flability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unanforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expanse or fiability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other parson.

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#### 12 COSTS AND EPENSES

You agree to pay all costs and expenses, including legal leas, of entening this Gueranios including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own clean basis.

# 13. ASSIGNMENT AND POSTFONEMENT OF CLAIMS

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#### 14. CONSENT TO DISCLOSE INFORMATION

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#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, set or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNENG LAW

This Guarantee shall be construed in accordance with the laws of the province where the Oustomer's account is held and you introceably submit to the protective jurisdiction of the courts of their province.

# 17. GENERAL

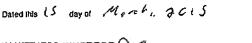
Any provision of this Guerantee that is void or unentropeable in a jurisciction is, as to that jurisciction, institution to the order without invalidating the remaining provisions. If two or more parsons signifies Guerantee, each persons tability will be jurin and several. This Guerantee is in addition and without projectioe to any soundly of any lend now or in the hube held by us. There are no representations, collateral agreements, warrentee, or conditions with respectible, or affacting your leadily under this Guerantee them as contained in this Guerantee, warrentee, or conditions with respectible, or affacting your leadily under this Guerantee of them as contained in this Guerantee are no representations, collateral agreements, warrentee, or conditions with respectible, or affacting your leadily under this Guerantee of them as contained in this Guerantee. No alternation or waiver oil this Guerantee are no representations, collateral agreements, warrentee, or conditions with respective, and of the Guerantee are no representations of them as contained in this Guerantee. No alternation of waiver oil this Guerantee are no representations of them as contained in this Guerantee. No alternation of waiver oil this Guerantee are no represented in the Colligations and binding on you. You expressly waive notice of the existence or creation of all or any of the Colligations, presentment, demand, notice of destronce, protect and all other notices what boyer.

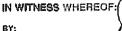
#### **16. FLITTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving ellect to this Guarantee.

#### 19. DEFINITIONS

In this Guerantee 'you' your' and 'yours' refer to the guerantor named below.







Name:

#### 1. CUSTOMEN GLIARANTEED

The name of the outlomer whose obligations you are guaranteeing is:

# Bless Jimmy's Pharma Inc.

(who, logether with the Outlanes's successore, heirs and assigner, shall be releved to herein as the 'Outlanes'). 2. OBLIGATIONS GUARANTEED

In consideration of Maxium Francial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestorin, conditioned and instances whether decale of all present and luba lease payments and congestorin, conditioned and instances and experiments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment to us on demand, of all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment all present and luba lease payments and congestoring to deal with the Oustomer, you guarantee payment allows whether allows and lease the output deal with the Oustomer, you guarantee and luba lease to deal with the output deal with the o indermities logistics with all costs and expenses, inclusing logistics or an expenses, but by the Occount under any with the Cocount under any and all logistics proteines, conditional states, conditional states, pursitives, letters of coodi, indermities logistics and expenses, including logistics or and expenses, including logistics or an expenses, including logistics or and expenses, including logistics or an expenses, including logistics or an expenses, including logistics or and expenses, including logistics or an expenses, i

#### 3. THE NATURE OF YOUR LIABILITY

Your fability under this Guarantee is CONTINUING, abactute and uncontribitions, it will not be limited, reduced, or otherwise effected by any one or more of the following events:

- the unerformability of the Obligations, any security, or any of our other rights against the Ouslamer or any other cector
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any incluing to an opposition to the Customer or any other parson
- the taking or not taking of a memories from any other person
- not Wing, perfecting, registering, or renewing any security
- accepting selfement from, or granting releases or decharges to, the Customer or any other person, including another quantum
- any datay or default by us in the exercise of any don't or remedy strainst you or the Custome
- your listicity under any other guarantee
- the morganization of the Customer's business (whether by amelgametion, merger, transfer, sale or
- any change in the Quelomar's linencial condition
- any drange in control of the Oustomer (if the Oustomer is a corporation)
- a description or change in memory bod to a Customer (if the Customer is a partnership)
- the bertruptcy of the Oustomer or any proceedings commenced by the Oustomer under the Bankruptcy and heavency Actor the Companies Groups Amergement Actor successor levelsion
- our bitre to ablde by agreements relating to the Obligations
- a breach of any duty of ours (whother Educiary or in realigence or otherwise) and whether owed to you. The Oustomer, or any other parton
- incapacity, or tack of status or legal existence of the Oustomer
- the Ousiamer's account being closed or our ceasing to deal with the Ousiamer
- any Impularity, traud, defect or technology or formality in incurring the Obligation
- not providing our claim in a bank picy of the Quaterer or not proving our claim in 10
- any event whatsoever that might be a deterge evelable to the Customer for its cospilar) or a deterge to you under this Quarantee, all of which are hereby waived

# 4. MAXILM NOT LIABLE

We do not one you any duty (as a folcciany or otherwise) and you hereby waite any right to make any daim or counterchaim and to make any right of set off, equilable or otherwise, arising from any alleged breach of a duty owed to you or the Quatomer or any other paston. We will not be fable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING PURTHER LIABILITY

You may careal this Guarantee for any buture Obligations by providing us with express written notice of any such carcellation. You will however, continue to be lable under this Guarantee for any of the Obligations that the Destruter incurs up to and including the day after we receive your notice and for Obligations ansing out of accomments made prior to the receipt of your notice.

#### 6. NO SETOFF OF COUNTERCLASM

You will make all payments required to be made under this Quarantee without regard to any right of setolit or counterctain test you have or may have against us or the Oustomer, which rights you wave. In addition to any contracements as your and or may have against as or and experience, when my be you way, or activated any lights row or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us herearder, without motor, any such notice being expressly waived by you, to seloit, appropriate and exply any and all deposits and any other indeblechess at any sime held by us, or owing to you, against and on account of the Ortigations.

#### 7. REINSTATEMENT

This Guarantee and all other larms of this agreement shall continue to be elective or shall be reinstated, as the case may be, if all any time any payment (in whole or in part) of any of the Obligations is restricted or must otherwise boretuned or restored by us by reason of the insolvency, barkruptor or reorganization of the Oustomer or for any other reason not knowing our with imisconduct, all as though such payment had not been made.

# Dated this (J day of March, 2015 IN WITNESS WHEREOF Name

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Quatament or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revalue and alter any such application.

#### 9. EDNAUSTING RECOURSE

We do not need to extrained our recourse against the Customer or any other parson or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all banefits of decreasion and division.

#### 10. NORMATY

As an original and independent obligation under this Quarantee, you shall (a) indemnily us and keep us indemnilied against any cost, loss, expense or itability of whatover kind resulting from teep us indemnilied against any cost, loss, expense or itability of whatover kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or altempting to preserve or enforce, our rights under rible Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have altempted to enforce any rights against the Customer, any other guarantee, or any other person.

# 11. POSTPONED SUBROGATION

Unit the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Outstomer or any guerance, for any payment that you make under this Quarantee. Until all the Obligations are paid in kill, we may include in our daim in the barkniploy of the Oustomer the amount paid by you under this Guerantee and receive dividencis in respect of their claim because you assign to us your right to prove your claim and receive cividencia.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expanses, including legal leas, of enforcing this Guarantee including the charges and expanses of our initialized lawyers. You will pay the legal leas on a solicitor and own client basis.

13. ASSIGNMENT AND POSTPONEMENT OF CLASHS

You postpone the repayment of all present and have debts and labilities that the Oustomer overs to you to the prior payment to us of the Obligations. You assign to us all such debts and labilities, unli the Obligations are repead in hall it you receive any moneys in payment of any of such debts and labilities, you will hold them in trust for, and willimmedialely pay them to, us without including your labitly under this Guarantee.

#### 14 CONSENT TO DISCLOSE INFORMATION

We may born one to time give any creation constition about you to, or receive such information from, any creations an exporting agency or other person.

#### 15 ASSIGNMENT OF OBLIGATIONS

We may, without notice, set or assign the Obligations and in such case, our assignee may entone this Quarantee and we may entone this Quarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shell be construed in accordance with the laws of the province where the Customer's account is held and you interceably submit to the exclusive justicition of the courts of thet province.

#### 17. GENERAL

Any provision of this Guerantee that is void or unenforcesable in a jurisdiction is, as to that jurisdiction, ineffective to that event without invacidating the remaining provisions. If two or more parsons sign it is Guerantee, each person's Eality will be jurin and several. This Guerantee is in addition and without prejudes to any security of any kind now or in the future held by us. There are no representations, collateral egnements, warantee, or conditions with respect to, or affecting your factify under this Guerantee other than as contained in this Guerantee. No alteration or under all this Guerantee and the several contract the future held by us. waver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in whing by us. Cur writen statement of the amount of the Ottigations shall be conclusive and binding on you. You expressly wave notice of the existence or creation of all or any of the Ottigations, presentment, demand, notice of distonor, protest and all other notices whatscever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

in this Guarantee "you" your" and "yours" refer to the guarantor married below.

ØY: Gamal F. Gerges

Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

### Bless Jimmy's Pharma Inc.

(who, logether with the Oustamer's successors, heirs and assigner, shall be released to herein as the "Oustamer"). 2. OBLIGATIONS GUARANTEED

In considerational Maxim Financial Services inc. (releared to as "we", "our", "ours" and "us" in (his Guaraniao) desing with or construing to deal with the Quatamers, you guarantee payment to us and enanced, of all present and have base payments and obligations, conditional sale instainents and obligations, and any other docts and labilities (collocively, the "Obligations"), both direct and indired, (whether incurred alone or birdy with others, whether absolute or construing is, whether matured or not matured, and whether for phycical, interest or less) payable to us by the Quatamer under any and all lesse agreements, conditional sale contracts, great leading, guarantees, falses of oracts. Indeminises together with all cours and expenses, Including logislifess and expenses, including by us incluned on with its dealings with the Ocalizanse. You agree to be bound by each of the terms and conditions set out below.

#### **1.** THE NATURE OF YOUR LIABILITY

Your Estibly brider this Guerantee is CONTINUENCE, standule and uncontitional. It will not be limited, reducted, or otherwise effected by any one or more of the following interfac:

- the unerdrossibility of the Obligistions, any security, or any of our other rights against the Customer or any dire person
- any charge in the lemme or amount or middlence of the Obligations.
- The sources of time to payment to the Cantomer or the granting of any indufarran or concession to the Outcomer or any other person
- the taking or not taking of a guident item know other person
- nal lating, perioding, registering, or renewing any security
- accepting sediement from, or granting relations or clockrappes to, the Clustomer or any other person. insiding another guarantee
- any delay or delautiby us in the exercise of any right or remady against you or the Quatomer
- YOUR BALLEY LINDER BAY OTHER CLOSER LOS
- the morganization of the Customer's business (whether by emelgancelon, merger, baneler, sele or GIPEWHAL
- any change in the Queenner's financial condition
- any change in control of the Outlinner (if the Outlinner is a corporation)
- a dissociation or charge in mombership of the Customer (if the Customer is a periors in (if the Customer is a periors in (if the Customer is a periors in the cus
- To beringing of the Ousioner or any proceedings commercial by the Ousioner under the Barlingsby
- and healvercy Actor he Companies Creditors Amergement Actor successor legislation Our blace to addre by agreements relating to the Obligations
- a breach of any duty of ours (whether liduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- Incepedity, or lack of status or legal existence of the Ousionner
- the Outlomer's account being closed or our ceasing to deal with the Outlomer
- any inegularity, Insus, delect or lack of authority or formality in incurring the Obligation
- not providing our claim in a benimping of the Customer or not proving our claim in full
- any event whatsoower that might be a detence available to the Oustomer for its obligation or a detence to you under this Guarantee, all of which are hereby waived

#### 4 MAXIMMOTUABLE

We do not one you any duy (as a fiduciary or otherwise) and you hereby weive any right to make any datim or counterctain and to raise any right of set off, equilable or otherwise, arising from any aleged breach of a duly owed to you, or the Customer or any other person. We will not be fable to you nor shall you make any claim for any negligence or any breaches or ontessions on our part, or any of our employees, officers, directors or agents, or any negligence or any breaches or one state. any receivers exported by us, in the course of any of our actions or their actions.

#### 5. TERMINATING RURTHER LIABILITY

You may carcel this Guarantee for any future Obligations by providing us with express written motion of any such carcellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer traus up to and including the day after we receive your notice and for Obligations arising out of acreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guerantee without regard to any right of setolf or You wai make a payments required to be index to Southarter which rights you waive. In advisor or counterclaim that you have or may have against us or the Oustome, which rights you waive. In addition to any rights now or hereater granted under applicable law, and not by way of similation of any such rights, we are autorized upon any amounts being payable by you to us hereundsr, without notes, any such robus being expressly weived by you, to stabil, appropriate and apply any and all disposite and any other indexterness at any time haddoy us, or ewing to you, against and on account of the Colligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, il at any time any payment (in whole or in pan) of any of the Oxigations is rescribed or must cheavise be returned or restored by us by reason of the insolvency, barkruptcy or reorganization of the Oxigare or for any other reason not involving our will it misconduct, all as though such payment had not been made.

# Dated this 15 day of May ch, 2015

IN WITNESS WHEREOF: BY: Name:

#### 8. APPLICATION OF MONEYS RECEIVED

We may, videout riskoe, apply all monays received herr you, or the Customer or any other person (multing) under any resourcy that we may from time to time hold) to such part of the Optigations as we, in our absolute discretion, consider appropriate. We may also revolve and alter any such application

#### 9. EXHAUSTING RECOURSE

We do not need to extravel our recourse agients the Quantities or any other position or under any security Interest we may from time to time hold balance being entitled to full payment from you under this Quancies. You wake all benefits of discussion and division.

#### 10. WOERNITY

As an original and independent abligation under this Guarantee, you shall (a) indemnify us and keep us indomnified agains) any cost, loss, expense or itability of whatever kind resulting from The failure by the Customer to make due and punctual payment of any of the Obligations or nswilling from any of the Obligations being or becoming void, voldable, unanterceable or inellective against the Customer (including, without limitation, all legal and ther costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guerantee), and (b) pay on demand the amount of public forms or line the customer and by the set of the set of the angle of the angle of the angle of the set such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Und the Obligations have been paid in kill, you will not make any dation for experiment or contribution from the Castomer or any gasantor, for any payment that you make under this Gueantee. Und at the Obligations are paid in kill we may include in our claim in the barriaupport the Oastomer the amount paid by you under this Gueantee and moothe dividends in respect of that dation because you assign to us your dation to that dation and the other service of that dation because you assign to us your dation to any other service dividends in separation of that dation because you assign to us your dation to any other service dividends in separation of that dation because you assign to us your dation to any other service dividends in separation of the dation because you assign to us your dation to any other service dation of the dation because you assign to us your dation of the dation of the dation of the dation because you assign to us your dation of the dation because you assign to us your dation of the dat and receive dividends.

#### 12 COSTS AND EUPENSES

You agree to pay all costs and expenses, including logid less, of enforcing this Guarantee including the **drages** and expenses of car in house lawyers. You will pay the legal less on a sofalter and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You pospone the repayment of all present and have debts and fabilities that the Customer owes to you to the prior payment to us of the Congetions. You assign to us all such debts and fabrilles, until the Congetions are repaid in full, il you receive any moneys in payment of any of such debts and fabrilles, you will hold them in fust for, and witimmediately pay them to, us without reducing your fability under this Quarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credibureau, reporting ensities or other person.

#### 15 ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or essign the Obligations and in such case, our assignee may enforce this Querantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

### 16 GOVERNMG LAW

This Guerance shell be construed in accordance with the laws of the province where the Oustomer's account is held and you insweedly submit to the exclusive jurisdiction of the courts of their province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unerforoasible in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lebility will be joint and several. This Guerantee is in addition and without prejudice to any security of any kind now or in the luture held by us. There are no representations, collateral agreements, warranties, or conditions with or in the local to by the There are no representations, couldra a greater to water action with respect by, or affording your lishing under this Guerantee of or them as contained in this Guerantee. All alterations waiver of this Guerantee or any of its terms or conditions shall be briding on us unless appressly made in writing by us. Our written statement of the amount of the Outgations shall be conducive and briding on you. You expressly written office of the advance or creation of all or any of the Obtgations, presentinent, dismand, notice of dishonor, protest and all offer notices whatsoover.

#### 18. FLETHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19 DEPENDIONS

In this Guarantee your your and yours' refer to the guaranter manual below.

BY: XOI

Selvia Gerges

#### 1. CUSTOMER CHARAMTERD

The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be releved to herein as the "Customer").

1 OBLIGATIONS GUARANTEED

In consideration of Maxium Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, at all present and tube access payments and obligations, conditional use instalments and obligations, and any other debts and fabrilies (collectively, the "Obligations"), both direct and indirect, (whether incurred above or jointy with others, whether attacks or oringent, whether attacks or nortingent, whether attacks or least payments and obligations, conditional and indirect, (whether incurred above or jointy with others, whether attacks or oringent, whether attacks are under any and all know operaments, conditional safe contracts, credit facilities, overdraits, guarantees, lease of orotit. indemnities together with all costs and expenses, including logal loss and expenses, included by us inconnection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below. 3. THE NATURE OF YOUR LIABILITY

Your lability under this Quasarized is CONTINUUNG, absolute and unconditional. It will not be limited, reduced, or chowice allocad by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Oustamer or any other parson
- any charge in the terms or anount or asistence of the Ordgatics a
- the estension of time for payment to the Quationer or the granting of any indulgance or concession to the Ousioner or any other person
- the taking or not taking of a guarantee from any other person
- not being, perfecting, registering, or renewing any security
- accepting selfencent from, or granting releases or discrizings to, the Customer or any other person, Including another guaranter
- any datay or detail by us in the mercise of any right or remedy against you or the Customer
- your lability under any other guarantee
- the reciparization of the Customer's business (whether by smalgamation, merger, transfer, cale or otherwise)
- aw channe in the Oustomer's financial condition
- any change in control of the Oustomer (if the Oustomer is a corporation) ъ
- a cissol for or charge in membership of the Customer (if the Customer is a partnership)
- the barkuptcy of the Customer or any proceedings commenced by the Customer under the Benforptoy and healvency Actor the Companies Creditors Amorgament Actor successor legislation
- our taken to abide by agreements relating to the Chagations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Oustanner
- the Outlamer's account being accession our cessing to deal with the Outlamer
- any inegalarity, haud, delect or lack of authority or formality in incuning the Obligation
- not providing our claim in a bankrupicy of the Customer or not proving our claim in tut.
- any event whatsoever that might be a detence available to the Oustonium for its obligation or a detence to you under this Guarantee, all of which are hereby waived

#### A MAXILM NOT LIABLE

We do not owe you any duty (as a folicitary or otherwise) and you hereby waive any right to make any claim or counterctain and to reise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you or the Customer or any other person. We will not be fable to you nor shall you make any claim for any negligence or any breaches or omissions on our parl, or any of our enroloyees, olicers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may careal this Guarantee for any luture Obligations by providing us with express written notice of any such carcellation. You will, however, contrue to be Fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your refore.

#### 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Quarantee without regard to any right of settion or counterclaim thet you have or may have against us or the Quatomar, which rights you waive. In addition to any rights now or hereater granted under applicable taw, and not by way of fimitation of any such rights, we are authorized upon any anounts being payable by you to us hereundar, without noice, any such noise being expressly waived by you, to satolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obigations.

#### 7. RENSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be offective or shall be reinstated, as the asse may be, if at any time any payment (in which or in part) of any of the Octopators is restricted or musi-otherwise be returned or restored by us by reason of the insolvency, barlinuptor or recryanization of the Outformer or for any other reason not involving our with imboundual, at as though such payment had not been media.

Dated this 15 day of March, 2 cl J À Jimmy's Group Investors Inc. BY: General Cersel Namo: Fresident Tille:

# & APPLICATION OF MONEYS RECEIVED

We may, when notice, apply all monays received from you, or the Clustemer or any effect person (including uncher any security that we may from time to finds hold) to such east of the Characters as we, in our measure discretion, consider appropriate. We may also revolve and alter any arch application

#### 9. EXHALISTING RECOURSE

We do not need to extract our recourse against the Customer or kny other person or under any security interest, we may from sine to sine hold before being ansted to bill payment from you under this Guarantee. You waive all concilis of decussion and division.

# 10. INDENNITY

As an original and independent obligation under this Guarantee, you shall (a) Indemnity us and keep us indemnitied against any cost, loss, expanse or liability of whatevar kind resulting from The fallwa by the Customer to make due and punctual payment of whatever end respining from the fallwa by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Chilgations being or becoming vaid, validable, unenforceable or inallective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cest lease memory of fails under this Guarantee). such cost, loss, expense or fiability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other person.

#### 11. POSTPONED SUBROGATION

Unli the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Outlomer or any guarator, for any payment likel you make under this Guarantee. Until all the Octigations are paid in full, we may include in our claim in the bankinglay of the Outlomer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive division is

#### 12 COSTS AND EXPRISES

You agree to pay all onds and expenses, including legal leas, of entorcing this Guarantee including the charges and expenses of our inhouse lawyers. You will pay the legal leas on a solicitor and own client basis. 12 ASSIGNMENT AND POSTPONENEDIT OF CLAMS

You postpone the repayment of all present and being debts and fabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and fabilities, until the Obligations are repeat in N.1. If you receive any moneys in payment of any of such debts and fabilities, you will hold them in fust for, and will immediately pay them to, us without reducing your fability under this Quarantee.

# 14. CONSENT TO DISCLOBE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any creditoureau, reporting agency or other person.

# 15. ASSIGNMENT OF OELIGATIONS

We may, without notice, set or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16 GOVERNING LAW

This Guarantee shell be construed in accordance with the laws of the province where the Outlemen's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guinantee that is void or unenforceable in a junistiction is, as to that junisdiction, ineliective to Any provision of this Generates that is void or unenforceable in a jurisdiction is, as to that jurisdiction, includive to that extent without invalidating the remaining provisions. If two or more persons sign this Generates, each person's Estility will be joint and several. This Generates is in addition and without projudice to any security of any kind now or in the luture held by us. There are no representations, collateral agreements, waranties, or conditions with respect to, or altering your lability under this Generates often then as contained in this Generates. No elteration or waiver of the Generates or any of its lamma or conditions shaft be thirding on us unless expressly make in writing by us. Our writion statement of the amount of the Chögations shaft be the conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Chögations, presentment, demand, notice of different writing and the water writer and the amount of the Chögations and the Chögations is the the choice of the existence of the and in writing and the construction of the existence or creation of all or any of the Chögations. dishonor, protest and all other notices whatsoever.

#### 18 FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guerantee 'your' and 'yours' relevatio the guerantor named below.

BY: Name

Tille:

# Bless Jimmy's Pharma Inc.

# 1. CUSTOMER GUARANTEED

The name of the Qualitance whose obligations you are guaranteeing is:

Blass Jimmy's Pharma inc. (who, together with the Ousemen's successors, heirs and assigns, shall be released to herein as the "Ousement

#### 2. OBLIGATIONS GUARANTEED

In consideration of Maxium Financial Services Inc. (referred to as "we", "ours" and "us" in this Guarantee) desiry wither containing to deal with the Outsomer, you guarantee payment to us ordernand, of all presentend Hard sease payments and obligations, conditional selesing tables to the other and involves the conditional selesing with the Categories of the conditional selesing and the selesing with the Categories of the conditional selesing to the analysis of the conditional selesing the conditional selesing to the analysis of the conditional selesing to the conditional selesing to the analysis of the conditional selesing to the analysis of the conditional selesing to the conditional s

3. THE NATURE OF YOUR LIABILITY

Your lability under this Querantee is CONTINUING, about the and unconditional. It will not be brided, excluded, or citerwise allocated by any one or more of the following events

- the unertoreleability of the Obligations, any security, or any of our other rights applied the Customer or any COAR CREATER
- any charge in the larme or amount or selecter of the Chargetines.
- the extension of time for payment to the Outlomer or the granting of any indulgrants or concession to the Outcomer or phy other person
- fe taláng or not laláng of a gravarias irom any other person
- not leting, perfecting, registering, or renewing any security
- accepting settement from, or granting releases or discharges to, the Customer or any other person, indicator preservo
- any datay or datauit by us in the electrics of any right or remedy against you or the Oustomer
- your bability under any other guarantee
- the recongenization of the Customer's business (whether by emergentation, merger, transfer, sale or (thermise)
- any charge in the Outiomer's Grandal condition
- any charge in control of the Oustomer (if the Oustomeries a corporation)
- a dissolution of change in membership of the Customer (if the Customer is is partnership)
- the Earkuptoy of the Customer or any proceedings commerced by the Customer under the Barkuptay and Insolvency Actor the Companies Gredions Amergement Actor successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether Educiary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Oustomer
- the Outsimer's account being detect or our creating to deal with the Outsimer
- any inegularity, insud, defect or bock of authority or formality in incurring the Ocegation
- rol pov/ding our claim in a barly uptoy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Oustomer for its obtaction or a detence to you under this Guarantee, all of which are hereby waived

#### 4. MAXIUM NOT LIABLE

We do not owe you any duty (as a falcciary or otherwise) and you hereby wrake any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty oved to you, or the Customer or any other person. We will not be lable to you nor shell you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, offices, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### & TERMINATING PURTHER LLABOLITY

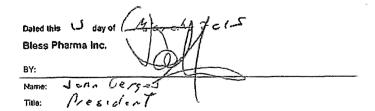
You may cancel this Guarantee for any houre Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be Table under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of acreaments made prior to the receipt of your metore.

#### 6. NO SETOPF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of setoll or Tour win make as payments requires to compare the scatter whold regard to any right of settld or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights new or hereater granted under applicable law, and not by way of similation of any such rights, we are automat upon any amounts being payable by you to us hereunder, whou notes, any such notes being expressly waived by you, to setoll, appropriate and apply any and all deposits and any other indebtechess all any time held by us, or awing to you, against and on account of the Colligations.

# T.RENSTATEMENT

This Gueranice and all other lemits of this approximent shall continue to be effective or shall be minimized, as the case may be, it at any time any payment (in whole or in part) of any of the Obligations is resoluted or must offewise be reamed or restored by us by reason of the insolvency, bankruppy or reorganization of the Oustomer or for any other reason not involving our will intercontined, all as though such payment had not been made.



# 6. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Cotigations as we, in our electrice discretion, consider appropriate. We may also revolve and alter any such application.

# & ECHAUSTING RECOURSE

We do that need to adheast our moourse against the Cautament or vary other joinson or under any security interest We may from time to time hold before being entitled to kill payment from you under this Quaranse. You waive sit carells of decresion and division

# 10. INDEMNITY

As an original and independent obligation under this Guarantae, you shall (a) indemnity us and keep us indemnified sgainst any cost, loss, expense or flability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or ineffective against the Customer (including, without limitation, all tegal and other costs, charges and expenses incurred by us in connection with preserving or entorcing, or alternating to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, axpense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in ILI, you will not make any claim for repayment or contribution from the Oustomer or any guarantor, for any payment that you make under this Guarantee. Und all the Ottigations are paid in UII, we may include in our claim in the benkupping of the Oustomer the amount paid by you under this Guarantee and receive dividencis in respect of that claim because you assign to us your right to prove your claim and receive dividends

#### 12. COSTS AND FYPERERS

You agree to pay all costs and operses, including legal less, of antoning this Guarantee including the charges and appendes of our inhouse lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLASHS

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#### 14 CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, set or assign the Obligations and in such base; our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guardian single construct in accordance with the laws of the province where the Outlome's account is held and you line wooddy submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a juristiction is, as to that juristiction, inclusive to that extent without invariating the remaining provisions. If two or more persons sign this Guarantee, each person's fability will be juint and several. This Guarantee is in addition and without projudce to any security of any land now or in the luture held by us. There are no representations, collateral agreements, waranties, or conditions with respect to, or allecting your tability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on its unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You c) concerning asserting to the product of the Congaco sign to Concern and producting or your found approximate and elither notices whatsoever.

# 18. FLATHER ASSURANCES

You shell do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEPINITIONS

In this Guarantee "your" your" and "yours" reler to the guarantee named below.

BY: Name

Title:

# **DEBTOR 3: BPI**

#### 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) Guarantee

#### 1. CUSTOWER GUARANTEED

The name of the biscorner whose obligations you are guaranteeing is

(who together with the Customer's successors, hers and assigns shall be referred to be real as the "Customer")

# 2. OBUGATIONS GUARANTEED

In considentials of 1951584 multiplies of the exercision of a second model and instruments of the resent and future must purplied to an origination control instances and obligations, and any other lebbs and liables (collectively), the "Obligations", both direct and indirect, (whether incurred alone or partity with others, whether absolute or contingent utilities matured or pot matured, and whether for personal and test so fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, or differences, letters of credit, indemnifies together with all costs and expenses, including legal fees and expenses, incurred by us in connection withins dealings with the Customer. You agree to be bound by each of the terms and conditions set on bedwy.

Bless Pharma Inc.

#### 3. THE NATURE OF YOUR LIABILITY

You Itability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any, change in the terms or amount or existence of the Clubgations.
- the extension of time for payment to the Customer or the grancing of onu inclugence or concession to the opportunity of the cencor.
- CELÉMENT CONTRACTOR EQUILIBRITÉS DE L'ANVÉCES (LE 1995)
- University as second, as second, or receiving as second.
- accepting settlement from or granting released in discharged to, the Customer or any other person, monoragenother guarantier
- · any usiay or default by usin the exercise of any right or remerly against you on the Customer
- cur fabrity under any other guarantee
- the rearganization of the Customer's business inchether by analgamation merger, transfer, sale or intervise)
- An mange office flostomer charcoal condition
- and leavest or contractores estimate efficient and concerning.
- Resolution of change incomposition of the Costoneer of the Costoneer is a partnership.
- the random so, of the Lustemer or any proceedings commenced by the Customer under the Bankrupky analisotiver cu-Act or the Companies Crecktors Arrangement Act or successor legislation.
- our failure to abite by agreements relating to the Obligations.
- a likeers of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the customer, or any other person.
- Incapacity, or lack of status or legal existence of the Customer
- the Customer's aucountibeing doded or our ceasing to deal with the Customer.
- accuracyularity, fraud, defect or tack of authority or formality in incoming the Obligation
- In providing our dealers a parkruptcy of the Eusternet is not provide our dealers full
- unvessent southspezier that suggit be a defence available to the Customer for its obligation or a defence to you unifer this Subvisionee, all of which are hereby waived.

#### 4. 1951584 ONTARIO NOT UABLE

We do not over you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or courrectain and to raise any right of set off, eduitable or otherwise, arking from any alleged breach of a duty oved to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any negevers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may vancel the Guarantee for any future Oblgations by providing us with express written notice of any such ancertainant would we necesser continue to be halve under this Guarantee for any of the Oblgations that the continue model and inclusion into the context the day after we receive your votice and for Oblgations arising out of agree ments made prior to the receive of your notice.

#### 5. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterchain that you have on may have against us or the Custon Pay, which rights you wave. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly wave by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or invents to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantae and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any non-rain, payment in whole or in part) of any of the Obligations is rescarded or must otherwise be enjoying or restored noise by reason of the insolvency. Danktunicy or reorganization of the Customer or for any inter reason no involving our with mechanized all as though such payment had not been made.

Dated this 3 day of The 1019
S&J Property Investors Inc.
intr_
BC ATT
Name mana = mailenges
and the second

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revolve and after any such application.

#### 9. ENHAUSTING RECOURSE

The on not need to exhaust durine course against the subdorner or any other person or under an security interest The Pray from time to time how before being entitled to all payneint from you under this Guarance. You wave all Terrefits of discussion and dialism.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall be indemutify as and veep us indemutified against any cost loss, expense or hability or whatever find resulting from the failure by the Customer to make nice and punctual payment of any or the Obligations or resulting from any of the Obligations being or becoming void, voidable unenforceable or ineffective against the Customer including, without limitation, all legal and other costs, charges and expenses or inforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or fability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been part in full, you will not make any claim for repayment or consultation from the Customer or any guarantor, for any payment that you make uniter this Guarantee. Until all the Obligations are pard in full, we may include in our claim in the bankup/try of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your ngtri to prove your darm and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the onor payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in oxyment of any of such debts and liabilities, you will hold them in toos for, and will munediately pay them to, us without reducing your liability under its Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 15. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive junsdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons again this Guarantee, each person's leability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, wairantee, for adress with respect to, or affecting your kilolity under this Guarantee other than as contained in this Guarantee. No alteration or waver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our notice of the eastence or any of its terms or conditions shall be conclusive and hinding on you. You expressly wave notice of the eastence or any of all or any of the Obligations, presentment, demand, notice of dictionor, protest, and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of groing effect to this Guarantee.

#### **19 DEFINITIONS**

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.



iliama

Title

#### 1951584 Ontano Inc. (formerly Desante Financial Services luc.) Guarantee

#### 1. CUSTOMER GUARANTEED

The same of the outcomer wouse obligations you are guaranteering is.

# Bless Pharma Inc.

#### 2. OBLIGATIONS GUARANTEED

inconcention of 1951584 Chiano of performed to as live? - put", "ours" and "his" in this publication provided payment on son demand, of all present and fiture wase payments and objaneme, conditional saw installations, and any other debte and interest collections?, both direct and indirect, publisher incorrect along or pointly with others, watcher absolute or contingent, whether matured or not manufed and whether for parable to us by the Customer under any and all lease agreements, conditions, call factors, call factors, each factors, call factors, parameters, letter of credit, interunties together with all provides and expenses, incurred by us in connection with the customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE MATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTRUTING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events.

is the Righther with the Cratomer's successors, hers and adapts, shall be retened to herein as the "Customer" c

- the utention rability of the Obspations, any security or any of our other rights against the Eustrement or any other person.
- any change in the terms or amount or existence of the Congations
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- Toward Homore, Ratteral Contractory and Strength Contractory
- Librating rettle ment from the grantery inserver or astrongers to, the conformer or any filter period including and the guarantia.
- any delay or default oy us in the exercise of any right or remeny against you or the Customer.
- Austability under any other guarantee
- the realigativeation of the Customer's business (whether by amagamatics) merger transfer cale or otherwas
- ally thange in the Costomer's Intelligence.
- and change is control of the Customer of the Eustromerics is comportation;
- a distournor or mangemenship of the Customer of the Eustomer converteeship)
- the balamptor of the Lastomer or any proceedings commenced by the Customer under the Bankhuotound informative Act of the Companies Creations Amongement Act or successor legislation.
- our tailure to abide to agreements relating to the Obligations.
- a tribech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer or any other person
- uncapatity, on act, of status or legal existence of the Customer
- the customer's account being dosen or our ceasing to deal with the Cristomer.
- any in spiramy traud, detect or lack of authomy or formality in incurring the Obligation.
- autorwiding our damana bankruptry of the Customer or not proving our daminiful
- event whatsoever that might be a celerice available to the Customer for its obligation or a defence to our uncled this Guarantee, all of others are hereby, waved

#### 4, 1951584 ONTARK) NOT LIABLE

We do not owe you way duty lasta fiduously or otherwised and you hereby wave any right to make any claim or counterclaims and to raise any right of ket off, erustable or otherwise, ansing from any alleged breach of a duty owed to you, or the fustomer or any other person. We will not be fisher to you nor shall you make any dam for any neglegence or any breaches or omissions on one part, or any of our employees, officers, directors or agents, or any reverses appointed by us, in the consistent and one part or a above or their arborn.

#### 5. TERMINATING FURTHER UABILITY

You may varice this Subrantee for any future Colligations by providing us with express written notice of any trudcancelation. You will however continue to be table under this Guarantee for any of the Obligations that the Fustomer inclus up to and including the day after we receive you? Notice and for Obligations arising out of agreements made pool to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

Too will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Cotionner, which rights you wave. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly wavel by you, to settiff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or iverge to you, or setting and on account of the Obligations.

#### 7. REINSTATEMENT

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\_ day of \_ My P Dated this 🕹

#### IN WITNESS WHEREOF:

# any security that we may from time to time hold) to such part of the Oblgations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application. 9. EXHAUSTING RECOURSE

We do not need to extaust our recourse against the Customer or any other person or under any security interest the may from time to time hold before being entitled to full payment itom you under this Guarantee. You wave al perieffs it tooustion and do son

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#### 10 INDEMINITY

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#### 11 POSTPONED SUBROGATION

8. APPLICATION OF MONEYS RECEIVED.

Unit the Obligations have been pain in full, you will not make any dam for repayment or contribution from the Cristomer or any guarantox, for any payment that you risk exinder the Suarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptoy of the Cristomer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to its your right to prove your claim and receive dividends.

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#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to the give any crest or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, wathout notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not solid or assigned.

# 16. GOVERNING LAW

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#### 17. GENERAL

Any provision of this Guiarntee that is void or unenforceable in a junstiction is, as to that junstiction, neffective to that extent without invalidating the remaining provisions. If two or more persons sign the Guiarntee, each person's lability will be port and several. This Guiarntee is in arkinon and without prejurice to any security of any kind new or in the future held by us. There are no representations, collateral agreements, warrantee, or conditions with respect to, or affecting your liability undler this Guiarntee other thin as contained in this Guiarntee. No alteration or vaiver of this Guiarntee or any of its terms or conditions shall be bridne on unless expressly made in writing by us. Our writen statement of the amount of the Obligations shall be condusive and binding on you. You expressly wave notice of the enstence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

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in this Gvarantee "you" "your" and "yours" refer to the guarantor named below

John Gerges

(inarantee)

#### 1991584 Ontano Inc. (formerly Desante Financial Services Inc.) Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is

# Bless Pharma Inc.

(who, together with the Customer's surcessor), hers and assigns, shaftly referred to herein is the "Customer"].

#### 2. OBUGATIONS GUARANTEED

In consideration of 1951584 Channeline, (referred to as "we", "our", "ours" and "us" in this Guarancee) dealing with or continuing to deal with the Customer, you guarancee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether instalments, and whether for principal linesent and future is or fees) payable to us by the Customer under any and all tease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconstituonal, it will not be limited, reduced, or utherwise affected by any one or more of the following events:

- the userforceability of the Obligatorius, any security, or any of our other rights against the Customer or any other person
- say mange in the terms of annount or existence of the Ubigations.
- the extension or brief or laghteric to the Chatomer or the granting or any indulgence or concession to the clustomer or any other person.
- the tabling or not tabling of a guarantee from any other person.
- Not taking, perfecting, reporting, or renewing any security.
- accepting settlement from, or granting releases or discharges to, the Eustomer or any other person, including another guarantor.
- any delay or default by usin the exercise of any right or remedy regards you or the Customer
- जन्म संवीर्षस्य आधल्म आभु जीवन होग्रंस सर्वतन्त्र
- the reorganization of the Customer's pushes: whether by analgamation, merger, transfer, sale or otherware;
- any change in the Customer's financial condition
- any change in (ontrol of the Customer (if the Customer is a conjociation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptor of the Customer or any proceedings commenced by the Customer under the Bankruptor and insolvency Act or the Camponies Creations Arrangement Act or successor legislation.
- pur failure to abide by agreements relating to the Obligations.
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- withpatity, or lack of status or legal existence of the Customer
- the Contonnel Control theme closed or our ceasing to deal with the Customer
- any megolarity maus, detect or familia authomy or formality in incurring the Obligation.
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full.
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to your under this Guarantee, all of which are hereby waived

#### 4. 1951584 ONTARIO NOT LIABLE

We do not owe you any duty (as a fiducery or otherwise) and you hereby wave any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, ansing from any alleged breach of a duty owed to you, or the furthermore or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any increases, autointed by us, in the course of any of our part, or only the actions.

#### 5, TERMINATING FURTHER UABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable uniter this Guarantee for any of the Obligations that the Costomer inputs up to and including the day after we receive your notice and for Obligations arising out of appeements made prior to the receive of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and nor by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereinder, without notice, any such notice being equiessly winted by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or norige to visit, against and on account of the Obligations.

#### 7. REINSTATEMENT

this Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any one any payment in whole or in part) of any of the Obligations is rescribed or must otherwise be returned or restored by us by reason of the insolvercy, bankruptcy or reorganization of the Customer or for any other reason not involving our wiful misconduct, all as though such payment had not been made.

Dated this \_\_\_\_\_ day of \_\_\_\_\_

IN WITNESS WHEREOF:

8Y:

# Gauss.

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to fiftie hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

# 9. EXHAUSTING RECOURSE

We do not need to exhainst our recourse against the Customen or any other person or under any security interest we may from time to take hold before transpertikled to full payment from you under this Guarantee. You wave all benefits of discussion and deviator.

#### 10. INDEMMITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserve or enforcing, or attempting to preserve or enforce, our lights under this Guaranteel, and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guaranticit, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daminin the bankruptoy of the Customer the amount paid hy you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and neceive divideds.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a selicitor and own client hase.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future dabts and fabilities that the Customer owes to you to the prior payment to us of the Oblightons, You assign to us all such debts and liabilities, unnithe Oblightons are repard in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

# 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, self or assign the Obligations and in such case, our assignee may enforce this Guimmiee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construction accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is vord or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any lord new or in the future held by us. There are no representations, collateral agreements, warantees, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or valver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be condusive and binding on you. You expressly write notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

in this Guarantee "you" "your" and "yours" refer to the guarantee named below.

BY.	
The Add Contractor Internation	Gamal Farid Gerges

# CWB Maxium Financial Inc.

#### Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

#### Bless Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").
2. OBI IGATIONS GLABANTEED

In consideration of CW8 Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guirantee payment to us on demand, of all present and lutities (collectively, the "Oblgations"), both direct and indirect, (whether incurred alorie or joint) with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all fease agreements, conditional sale contracts, redit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the inms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. OWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterdaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be fiable to you nor shall you make any claim for any negligence of any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fiable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is resoluded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our willful misconduct, all as though such payment had not been made.

Dated this    day of March	Self
Toronto Apothecary Pharma inc.	1
BY: (A	A .
Name: DIEP NGUYEI	V I
Title: PREIDENT	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you or the Customer or any other person (including under any security that we may from time to time hold) to such p; rt of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9, EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Custor ter or any other person or under any security interest we may from time to time hold before being entitled to full µayment from you under this Guarantee. You waive all benefits of discussion and division

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and pulicual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or niability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you a ssign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees (in a solicitor and own dient basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debit and ilabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

# 14. CONSENT TO DISOLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the law : of the province where the Customer's account is held and you intervocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee, is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collater all agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than is contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be to conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause  $\sigma$  be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

BY: Name:

Title:

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.



# **DEBTOR 4: JGWI**



# **GUARANTEE**

# Element Financial Corporation 4 Robert Speck Pky, Suite 900, MIssissauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

For value received the undersigned JOHN GERGES (the "Guarantor") hereby guarantees to ELEMENT FINANCIAL CORPORATION ("Element") payment, forthwith after demand made therefore as hereinafter provided, of all indebtedness and liability (past, present and future, direct or indirect, absolute or contingent, matured or not) of JG WINDSOR INC. as ("the Obligor) to Element whether arising from the agreement or dealings between Element and the Obligor or from agreement or dealings between Element and the Obligor or liable to Element or however otherwise arising and whether the Obligor be bound alone or with another or others and whether as principal or surety or guarantor, and the Guarantor further agrees that:

- If more than one Guarantor executes this instrument the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Guarantor shall include the undersigned and each and every one of them severally and this guarantee and all covenants and agreements herein contained shall be deemed to be joint and several.
- 2. Element may increase, reduce, discontinue or otherwise vary the Obligor's credit, grant time, renewals, extension, releases and discharges to, take and give up security (which may include other guarantees), and otherwise deal with the Obligor or others or from the sale or other disposal of security upon such part of the Obligor's liability as Element may think best, without prejudice to or in any way limiting or lessening the liability of the Guarantor under this guarantee. The Guarantor's obligation to pay under this guarantee shall not be limited or reduced as a result of the termination, invalidity or unenforceability of any right of Element against the Obligor or any other party (including other guarantors) for any cause whatsoever.
- 3. This guarantee shall be continuing security for payment by the Obligor to Element of all the indebtedness and liability aforesaid.
- 4. Element shall not be bound to exhaust its recourse against the Obligor or other parties or the securities that it may hold before being entitled to payment from the Guarantor under this guarantee.
- 5. Any loss of or in respect of security received by Element from the Obligor or others, whether occasioned through the fault of Element or otherwise, shall not discharge or limit the liability of the Guarantor under this guarantee.
- 6. Any change or changes in the name of the Obligor, or, if the Obligor is a partnership, any change or changes in the membership of the Obligor's firm by death or by the retirement of one or more of the partners or by the introduction of one or more new partners or otherwise, shall not affect or in any way limit or lessen the liability of the Guarantor under this guarantee and this guarantee shall extend to the person, firm or corporation acquiring or from time to time carrying on the business of the Obligor.
- 7. All monies, advances, renewals and credits borrowed or obtained from Element shall be deemed to form part of the indebtedness and liabilities hereby guaranteed, notwithstanding any incapacity, disability, limitation of status or lack of power of the Obligor or the directors, partners or agents thereof, or that the Obligor may not be a legal entity, or any defect in the borrowing or obtaining of such money, advances, renewals or credits; and any amount which may not be recoverable from the Guarantor on the footing of a guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and it shall be paid to Element after demand thereof by Element.
- 8. Any account settled or stated by or between Element and the Obligor shall be accepted by the Guarantor as conclusive evidence that the balance or amount thereby appearing due by the Obligor to Element is in fact so due.
- 9. The Guarantor agrees not to assert any right of contribution against any other guarantor until the Obligor's indebtedness and liabilities have been paid in full. If Element should receive from the Guarantor a payment in full or on account of the indebtedness or liability under this guarantee, all rights of subrogation arising therefrom shall be postponed and the Guarantor shall not be entitled to claim repayment against the Obligor or the Obligor's estate until Element's claims against the Obligor have been paid in full; and in the case of liquidation, winding up or bankruptcy of the Obligor (whether voluntary or compulsory) or in the event that the Obligor shall make a bulk sale of any of the Obligor's assets within the bulk transfer provisions of any applicable legislation, or shall make any compromise with creditors or scheme of arrangement, Element shall have the right to rank for its full claim and receive dividends or other payments in respect thereof until its claim has been paid in full and the Guarantor shall continue to be liable, up to the amount guaranteed, less any payments made by the Guarantor, for any balance which may be owing to Element by the Obligor.
- 10. Any notice or demand which Element may wish to give may be served on the Guarantor either personally on the Guarantor or the Guarantor's legal personal representative or, in the case of a corporation, on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known address of the Guarantor to be served as it appears on Element's records and the notice so sent shall be deemed to be received on the second business day following that on which it is mailed.
- 11. As security for the performance of the Guarantor's covenants herein and the payment of the present and future debts and liabilities of the Obligor to Element, the Guarantor hereby grants to Element a security interest in all debts and liabilities, present and future, of the Obligor to the Guarantor, all of which are hereby assigned by the Guarantor to Element and postponed to the present and future debts and liabilities of the Obligor to Element. Any monies or other proceeds received by the Guarantor in respect of such debts and liabilities shall be received in trust for and forthwith paid over to Element, in whole, without in any way limiting or lessening the liability of the Guarantor hereunder. Notwithstanding anything to the contrary herein, the assignment

Page 1 of 2

# **GUARANTEE**



Element Financial Corporation 4 Robert Speck Pky, Suite 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

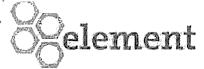
and postponement contained in this paragraph 11 are intended to be and are independent of the remainder of this guarantee and may, at the option of Element, be severed therefrom. The Guarantor hereby acknowledges receiving a copy of this guarantee and waives all rights to receive from Element a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this agreement.

- 12. The Guarantor shall be currently liable under this guarantee at any time for the full amount of the debts and liabilities of the Obligor to Element then outstanding, provided that the Guarantor shall not be in default under or in breach of this guarantee unless and until Element has made demand upon the Guarantor hereunder and the Guarantor has failed to pay the amount demanded or otherwise falled to comply with such demand forthwith following receipt (or deemed receipt) of such demand. In the case of default Element may maintain an action upon this guarantee whether or not the Obligor is joined therein or separate action is brought against the Obligor or judgment obtained against the Guarantor. Element's rights are cumulative and shall not be exhausted by the exercise of any number of successive actions until and unless all indebtedness and liability guarantee has been paid and each of the Guarantor's obligations under the guarantee has been fully performed.
- 13. The Guarantor shall pay to Element on demand (in addition to all debts and liabilities of the Obligor hereby guaranteed) all costs, charges and expenses (including without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by Element for the preparation, execution and perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest thereon, both before and after demand, default and judgment, calculated from the date of payment by Element of each such cost, charge and expense until payment by the Guarantor hereunder, at a rate equal to 3% above the rate published by The Bank of Nova Scotia from time to time as The Bank of Nova Scotia's prime lending rate at any time or times shall be conclusive evidence thereof for all purposes under this guarantee.
- 14. This instrument is in addition and without prejudice to any other securities of any kind including any other guarantees, whether or not in the same form as this instrument, now or hereafter held by Element. Without limiting the generality of the foregoing, all limits and evidence of the liability pursuant to any guarantee now or hereafter held by Element shall be cumulative.
- 15. There are no representations, warranties, collateral agreement or conditions with respect to this guarantee or affecting the Guarantor's liability hereunder other than as contained herein. Without restricting the generality of the foregoing, this guarantee shall be operative and binding upon every signatory hereto notwithstanding the non-execution hereof of any other proposed or intended signatory or signatories.
- 16. This instrument shall be construed in accordance with the laws of the province of residence of the Guarantor, and the Guarantor agrees that any legal suit, action or proceedings arising out of or relating to this instrument may be instituted in the course of such province or territory and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit Element's right to bring proceedings against the Guarantor elsewhere.
- 17. This instrument shall extend to and enure to the benefit of the successor's and assigns of Element and shall be binding upon the Guarantor and the heirs, executors, administrators and successors of the Guarantor.

Given under seal at	croins,this 26 <sup>th</sup> day of May 2015.
Guarantor:	JOHN GERGES
	×
Witness Signature:	×
Witness Name:	× Isaak Grubner
Address:	× 3459 Sheppard Ave, Suite #212
Phone:	× 4/6-292-04/4

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# **GUARANTEE**

Element Financial Corporation 4 Robert Speck Pky, Suite 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

For value received the undersigned BLESS JG PHARMA INC. (the "Guarantor") hereby guarantees to ELEMENT FINANCIAL CORPORATION ("Element") payment, forthwith after demand made therefore as hereinafter provided, of all indebtedness and liability (past, present and future, direct or indirect, absolute or contingent, matured or not) of JG WINDSOR INC. as ("the Obligor) to Element whether arising from the agreement or dealings between Element and the Obligor or from agreement or dealings between Element and the Obligor or form agreement or dealings between Element and the Obligor or form agreement or dealings between Element and the Obligor between to Element and any third party by which the Obligor now is or hereafter may become indebted or liable to Element or however otherwise arising and whether the Obligor be bound alone or with another or others and whether as principal or surety or guarantor, and the Guarantor further agrees that:

- If more than one Guarantor executes this instrument the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Guarantor shall include the undersigned and each and every one of them severally and this guarantee and all covenants and agreements herein contained shall be deemed to be joint and several.
- 2. Element may increase, reduce, discontinue or otherwise vary the Obligor's credit, grant time, renewals, extension, releases and discharges to, take and give up security (which may include other guarantees), and otherwise deal with the Obligor or others or from the sale or other disposal of security upon such part of the Obligor's liability as Element may think best, without prejudice to br in any way limiting or lessening the liability of the Guarantor under this guarantee. The Guarantor's obligation to pay under this guarantee shall not be limited or reduced as a result of the termination, invalidity or unenforceability of any right of Element against the Obligor or any other party (including other guarantors) for any cause whatsoever.
- 3. This guarantee shall be continuing security for payment by the Obligor to Element of all the indebtedness and liability aforesaid.
- 4. Element shall not be bound to exhaust its recourse against the Obligor or other parties or the securities that it may hold before being entitled to payment from the Guarantor under this guarantee.
- 5. Any loss of or in respect of security received by Element from the Obligor or others, whether occasioned through the fault of Element or otherwise, shall not discharge or limit the liability of the Guarantor under this guarantee.
- 6. Any change or changes in the name of the Obligor, or, if the Obligor is a partnership, any change or changes in the membership of the Obligor's firm by death or by the retirement of one or more of the partners or by the introduction of one or more new partners or otherwise, shall not affect or in any way limit or lessen the liability of the Guarantor under this guarantee and this guarantee shall extend to the person, firm or corporation acquiring or from time to time carrying on the business of the Obligor.
- 7. All monies, advances, renewals and credits borrowed or obtained from Element'shall be deemed to form part of the indebtedness and liabilities hereby guaranteed, notwithstanding any incapacity, disability, limitation of status or lack of power of the Obligor or the directors, partners or agents thereof, or that the Obligor may not be a legal entity, or any defect in the borrowing or obtaining of such money, advances, renewals or credits; and any amount which may not be recoverable from the Guarantor on the footing of a guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and it shall be paid to Element after demand thereof by Element.
- 8. Any account settled or stated by or between Element and the Obligor shall be accepted by the Guarantor as conclusive evidence that the balance or amount thereby appearing due by the Obligor to Element is in fact so due.
- 9. The Guarantor agrees not to assert any right of contribution against any other guarantor until the Obligor's indebtedness and liabilities have been paid in full. If Element should receive from the Guarantor a payment in full or on account of the indebtedness or liability under this guarantee, all rights of subrogation arising therefrom shall be postponed and the Guarantor shall not be entitled to claim repayment against the Obligor or the Obligor's estate until Element's claims against the Obligor have been paid in full, and in the case of liquidation, winding up or bankruptcy of the Obligor (whether voluntary or compulsory) or in the event that the Obligor shall make a bulk sale of any of the Obligor's assets within the bulk transfer provisions of any applicable legislation, or shall make any compromise with creditors or scheme of arrangement. Element shall have the right to rank for its full claim and receive dividends or other payments in respect thereof until its claim has been paid in full and the Guarantor, for any balance with may be owing to Element by the Obligor.
- 10. Any notice or demand which Element may wish to give may be served on the Guarantor either personally on the Guarantor or the Guarantor's legal personal representative of in the case of a corporation, on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known address of the Guarantor to be served as it appears on Element's records and the notice so sent shall be deemed to be received on the second business day following that on which it is mailed.
- 11. As security for the performance of the Guarantor's covenants herein and the payment of the present and future debts and liabilities of the Obligor to Element, the Guarantor hereby grants to Element a security interest in all debts and liabilities, present and future, of the Obligor to the Guarantor, all of which are hereby assigned by the Guarantor to Element and postponed to the present and future debts and liabilities of the Obligor to Element. Any monies or other proceeds received by the Guarantor in respect of such debts and liabilities shall be received in trust for and forthwith paid over to Element, in whole, without in any way timiting or lessening the liability of the Guarantor hereunder. Notwithstanding anything to the contrary herein, the assignment

Page 1 of 2



Element Financial Corporation 4 Robert Speck Pky, Suite 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

and postponement contained in this paragraph 11 are intended to be and are independent of the remainder of this guarantee and may, at the option of Element, be severed therefrom. The Guarantor hereby acknowledges receiving a copy of this guarantee and waives all rights to receive from Element a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this agreement.

- 12. The Guarantor shall be currently liable under this guarantee at any time for the full amount of the debts and liabilities of the Obligor to Element then outstanding, provided that the Guarantor shall not be in default under or in breach of this guarantee unless and until Element has made demand upon the Guarantor hereunder and the Guarantor has failed to pay the amount demanded or otherwise failed to comply with such demand forthwith following receipt (or deemed receipt) of such demand. In the case of default Element may maintain an action upon this guarantee whether or not the Obligor is joined therein or separate action is brought against the Obligor or judgment obtained against the Guarantor. Element's rights are cumulative and shall not be exhausted by the exercise of any number of successive actions until and unless all indebtedness and liability guarantee has been paid and each of the Guarantor's obligations under the guarantee has been fully performed.
- 13. The Guarantor shall pay to Element on demand (in addition to all debts and liabilities of the Obligor hereby guaranteed) all costs, charges and expenses (including without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by Element for the preparation, execution and perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest thereon, both before and after demand, default and judgment, calculated from the date of payment by Element of each such cost, charge and expense until payment by the Guarantor hereunder, at a rate equal to 3% above the rate published by The Bank of Nova Scotia from time to time as The Bank of Nova Scotia's prime lending rate. A statement signed by an officer of Element confirmed as The Bank of Nova Scotia's prime lending rate at any time or times shall be conclusive evidence thereof for all purposes under this guarantee.
- 14. This instrument is in addition and without prejudice to any other securities of any kind including any other guarantees, whether or not in the same form as this instrument, now or hereafter held by Element. Without limiting the generality of the foregoing, all limits and evidence of the llability pursuant to any guarantee now or hereafter held by Element shall be cumulative.
- 15. There are no representations, warranties, collateral agreement or conditions with respect to this guarantee or affecting the Guarantor's liability hereunder other than as contained herein. Without restricting the generality of the foregoing, this guarantee shall be operative and binding upon every signatory hereto notwithstanding the non-execution hereof of any other proposed or intended signatory or signatories.
- 16. This instrument shall be construed in accordance with the laws of the province of residence of the Guarantor, and the Guarantor agrees that any legal suit, action or proceedings arising out of or relating to this instrument may be instituted in the course of such province or territory and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit Element's right to bring proceedings against the Guarantor elsewhere.
- 17. This instrument shall extend to and enure to the benefit of the successor's and assigns of Element and shall be binding upon the Guarantor and the heirs, executors, administrators and successors of the Guarantor.

Given under seal at <u>TO TOODO</u> this 26<sup>th</sup> day of May, 2015, Guarantor: <u>A</u> John Gerges, Director <u>CERTIFICATE OF OFFICER</u>

The undersigned, John Gerges, Director, of Bless JG(Pharma Inc. (the "Corporation") hereby certifies to Element Financial Corporation, its successors and assigns, that the foregoing Guarantee and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation held on May 2G, 2015, which resolution has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

RUESS IG PHARE × John Gerges, Director

Page 2 of 2

# **DEBTOR 5: JGII**

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, logether with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

# Jimmy's Group Investors Inc.

2. OBLIGATIONS GUARANTEED

In consideration of Maxium Financial Services Inc. (referred to as "wa", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and kiture lease payments and obligations, conditional sale instalments and obligations, and any other debts and Eablities (collectively, the "Obligations"), both direct and incirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether instand or not matured, and whether for principal, interest or tees) payable to us by the Customer under any and all passe agreements; conditional sale contracts, credit facilities, overhalts, guarantees, letters of oredit, indemnifies together with all costs and expenses, including legal tees and expenses, including to us by the Customer under any with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your faibility under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise allected by any one or more of the following events:

- the unanterceability of the Obligations, any security, or any of our other rights against the Customer or any other person.
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer of any other person
- Inelaking or not taking of a guarantee from any other person
- not laking, perfecting, registering, or renewing any security
- uccopting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- Ine reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Oustorner's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankuptcy of the Customer or any proceedings commenced by the Customer under the Bankuptcy and Insolvency Act or the Companies Crentics Anangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any di 4y of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- Incapacity, or lack of status or legal existence of the Customer
- Ihe Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- · not providing our claim in a bankruptcy of the Customer or not proving our claim in tuil
- any event whatsoever that might be a detence available to the Customer for its obligation or a detence to you under this Guarantee, all of which are hareby waived

#### 4. MAXIUM NOT LIABLE

We do not owe you any duty (as a fickciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty await to you, or the Chatomer or any other person. We will not be liable to you nor shall you make any claim for any regligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SETOPF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setolf or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of imitation of any such rights, we are authorized upon any amounts being payable by you to us hereander, without notice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indebtodness at any time heldby us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

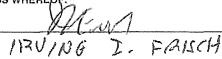
This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, it all any time any payment (in whole or in part) of any of the Obligations is rescincted or must otherwise be returned or restared by us by reason of the insolvency; barkruptcy or reorganization of the Customer or for any other reason not involving our wildumisconduct, all as though such payment had not been made

# Daled this (S day of M. c. - 4. 201-5

IN WITNESS WHEREPE

BY:

Name:



#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discrition, consider appropriate. We may also revoke and alter any such application.

# 9. EXHAUSTING RECOURSE

We do not read to exhaust our recourse against the Clustomer or any other person or under any security interest we may form time to time hold before being entitled to full payment from you under this Guarantee. You waive ett benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voltable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our dights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any gustantor, for any payment that you make under this Gustantee. Until all the Obligations are paid in hill, we may include in our claim in the barkniptley of the Customer the amount paid by you under this Gustantee and necelve dividends in respect of that claim because you assign to us your right to prove your claim and necelve dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal less, of entorcing this Guarantee including the charges and expenses of turi in-house lawyers. You will pay the legal less on a solidion and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and fabilities that the Customer owes to you to the prior payment to us of the Chilgations. You assign to us all such debts and fabilities, until the Chilgations are repaid in full. If you receive any moneys in payment of any of such debts and fabilities, you will hold them in trust for, and will immodately pay them to, us without reducing your fability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in adcardance with the laws of the province where the Oustomer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is vold or unanforceable in a jurisdiction is, as to that jurisdiction, ineffective to that event without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's tability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, colleval agreements, waranties, or conditions with respect to, or affecting your liability under this Guarantee other then as contained in this Guarantee. No alteration or weiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of distornor, protest and all other notices whatscever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19, DERNITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.



# 1. OUSTOMER GUARANTEED

# The name of the customer whose obligations you are guaranteeing is:

(who, logether with the Customer's successors, heirs and assigns, shall be reterred to herein as the "Customer"),

# Jimmy's Group Investors Inc.

# 2. OBLIGATIONS GUARANTEED

In consideration of Maxium Francial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and hubble lease payments and obligations, conditional safe instalments and obligations, and any other debts and leadings (collectively, the "Cologations"), both direct and indirect, (whether inclumed atome or jointly with others, whether debts and leadings (collectively, the "Cologations"), both direct and indirect, (whether inclumed atome or jointly with others, whether debts and leadings (collectively, the "Cologations"), both direct and indirect, (whether inclumed atome or jointly with others, whether debts and leadings, conditional safe contracts, ored) includes the safe set at being up and all lease agreements, conditional safe contracts, ored incidings, overdiating, guarantees, letters of oredit, independent to the tother and contracts, oredit in the same and contracts of the tother and contracts inderwities together with all costs and expenses, including logal fees and expenses, including logal fees and expenses, including solutions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your fability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise allected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of fime for payment to the Customer or the granting of any indulgence or concession to the Ouslomer or any other person
- the taking or not taking of a guarantee from any other person
- nol taking, partecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guaranto
- any delay or delault by us in the exercise of any right or remedy against you or the Customer
- your liablity under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's linancial condition
- any change in control of the Customer (If the Customer is a corporation)
- a dissolution or change in membership of the Customer (If the Customer is a pertnership)
- the barkniptoy of the Customer or any proceedings commenced by the Customer under the Barkniptoy and insolvency Actor the Companies Greators Amangament Actor successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negigence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, leaved, detect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

# 4. MAXIUM NOT LIABLE

We do not owe you any duly (as a fickciary or otherwise) and you hereby weive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIASILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be table under this Guarantee for any of the Obligations that the Customar Incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or countentialm that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly walved by you, to setoll, appropriate and epply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is reacinded or must otherwise be returned or restored by us by reason of the inscrivency, barkrupkcy or reorganization of the Customer or for any other reason not involving our willul misconduct, all as though such payment had not been made

# Daled this (S day of Merch. 2

Dated this (S day of Moreh. 2000) IN WITNESS WHEREOF: BY: Name: IRUING I. FRISCH

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

# 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Quarantee. You waive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnity us and keep us indemnilled against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses insurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, toss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Unit the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the barkruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal tess, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal tees on a solicitor and own client basis

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAMS

You postpone the repayment of all present and future debts and flabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repeld In full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust lor, and will immediately pay them to, us without reducing your liability under this Guarantee

# 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you intervocably submit to the exclusive jurisdiction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is void or unentorceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatscever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

BY:

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

#### Jimmy's Group Investors Inc.

(who, logether with the Customer's successors, heirs and assigns, shell be released to herein as the "Customer") 2. OBLIGATIONS GUARANTEED

In consideration of Maxim Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing withor containing to deal with the Customer, you guarantee payment to us on demand, of all present and Lave lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively , the "Obligations"), both direct and indirect, (whether incomed alone or jointly with others, whether absolute or consingent, whether matured or not matured, and whether for principal, interest or less) payable to us by the Customar under any and all lease agreements, conditional sale contracts, credit facilities, overdraits, gueranices, letters of oredit, indemnifies together with all costs and expenses, including legal leas and expenses, including us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your fability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unerdomentality of the Obligations, any security, or any of our other rights against the Customer or any Other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any incluigence or concession to the Customer or env other person
- the taking or not taking of a guarantee from any other person
- nol taking, partecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, inclution prosher musianion
- any delay or delault by us in the exercise of any right or remedy against you or the Customer .
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or ۵ otherwise)
- any change in the Customer's Inancial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or charge in membership of the Customer (if the Customer is a partnership)
- the bankupicy of the Oustomer or any proceedings commenced by the Oustomer under the Bankupicy and Insolverxy Actor the Companies Criscillors Amergement Actor successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duly of ours (whether liduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, delect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a detence available to the Customer for its obligation or a detence to you under this Guarantee, all of which are hereby waived

#### 4. MAXIUM NOT LIABLE

We do not owe you any duty (as a liduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set oil, equilable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or egents, or any receivers appointed by us, in the course of any of our actions or their actions,

# 5. TERMINATING FURTHER LIABLITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COLIMPERCIAIM

You will make all payments required to be made under this Guarantee without regard to any right of setolf or Four market of payments required to be index on the customer, which injusts you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setolit, appropriate and apply any stand all deposits and any other indebledness all any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Quarantee and all other terms of this ecreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankrupicy or reorganization of the Customar or for any other reason not involving our wilful misconduct, all as though such payment had not been made

# Dated this ( I day of March 2005

IN WITNESS WHEREOF:

BY:

Name:

Mr. Dair

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all monays received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revolve and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to extraust our recourse against the Customer or any other person or under any security interest we may from time to time total before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnity us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or Ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or entorcing, or attempting to preserve or onforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBBOGATION

Unli the Collgators have been paid in hill, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Unit all the Obligations are paid in hill, we may include in our claim in the barkniptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive rividencia.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal leas, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal leas on a solicity and own client basis. 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and flabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid In full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province. 17. GENERAL

# Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or attenting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waker of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly weive notice of the existence or creation of all or any of the Obligations, presentment, demand, notion of dishonor, protest and all other notices whatsoever.

#### 18, FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such lurther acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

in this Guarantee 'you' 'your' and 'yours' reler to the guarantor named below.

Sellen BY: Selvia Gerges

# 1. CUSTOMER GUARANTEED

2. OBLIGATIONS GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

(who, logether with the Customer's successors, helps and assigns, shall be releated to herein as the "Customer")

# Jimmy's Group Investors Inc.

In consideration of Maxim Financial Services Inc. (referred to as "wa", "our", "ours" and "us" in this Guarantee) dealing with precenting to deal with the Customer, you guarantee payment to us on demand, of all present and have lease payments and obligations, conditional sale instalments and obligations, and any other debt and inabilities (collectively, the "Obligations"), both direct and induced, (whether incurred above or jointly with others, whether absolute or confirgent, whether makes or not maked, and whether for principal, interest or fees) payable to us by the Customer under any and all fease agreements, conditional sale contracts, credit laddiles, overdraits, guarantees, letters of oredit, indemnifies together with all costs and expenses, including legal leas and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out bodiw.

# 3. THE NATURE OF YOUR LIABILITY

Your lability under this Guarantee is CONTINUTING, absolute and unconditional. It will not be limited, reduced, or otherwise allocted by any one or more of the following events:

- Itra unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- Ihe taking or not taking of a guarantee from any other person
- nottaking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including onother guaranter
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Oustomer (if the Oustomer is a partnership)
- Ihe bankriplay all the Customerion any proceedings commercied by the Customer under the Bankruplay and Insolvency Actor the Damparies Creditors Anangement Actor successor legislation
- our failure to abide by agreements relating to the Obligations.
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any officer person
- Incapacity, or lack of status or legal existence of the Customer
- Ine Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, delect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoaver that might be a delence available to the Customer for its obligation or a delence to you under this Guarantee, all of which are hereby welved

# 4. MAXIUM NOT LIABLE

We do not owe you any duty (as a folicitary or otherwise) and you bereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other parson. We will not be liable to you nor shell you make any claim for any negligence or any treaches or onlisions on our part, or any of our employees, officiens, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

# 5. TERMINATING FURTHER LIABILITY

You may cancel this Guaraniee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your rolice.

# 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setolf or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly weived by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstaled, as the case may be, it at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, barkurptcy or reorganization of the Customer or for any other reason not involving our wild/misconduct, all as though such payment had not been made

Dated this (J day of 7, 0, 2 C (J Bless Jimmy's Pharma Inc.	
BY:	
Name: John berged the	
Tille: Mresiderf	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or flability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or linkbilly whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Unlil the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Unlit all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and roceive dividends in respect of that claim because you assign to us your right to prove your claim and inceive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, inducting legal less, of enforcing link Guarantee including the charges and expenses of curin-trouse lawyers. You will pay the legal less on a solicitor and own client basis. 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and inture debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and flabilities, until the Obligations are repaid in full, it you receive any moneys in payment of any of such debts and flabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your flability under this Guarantee

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without noticel, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guaraniee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of thet province.

# 17. GENERAL

Any provision of this Guarantee that is void or unanformable in a jurisdiction is, as to that jurisdiction, ineffective to hat extent without invalidating the remaining provisions. If two trimore persons signifies clarantee, each persons liability with be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the turne held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or effecting your flability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly mode in willing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly welve notice of the antoxin of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

# 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee

#### 19. DEFINITIONS

In this Guarantee "your" your" and "yours" refer to the guarantor named below.

BY:

Name: Tille:

# Bless Jimmy's Pharma Inc.

# RESOLUTION OF THE DIRECTORS AUTHORIZING A GUARANTEE OF ADVANCES BETWEEN THE CORPORATION AND MAXIUM FINANCIAL SERVICES INC. ("Maxium")

I, <u>Gamal Gerges</u>, hereby certify under the corporate seal of Bless Jimmy's Pharma Inc. (the "Company") that:

- (a) I am the duly appointed secretary of the Company,
- (b) a resolution has been passed and the company is authorized to execute a guarantee in favour of Maxium whereby the Company guarantees the indebtedness and liability of Jimmy's Group Investors Inc. to Maxium;
- (c) the following is a list setting forth the names of officers and directors of the Company who are authorized to sign documents, with an example of each of their respective signatures, in particular such officers and directors are authorized to execute the Guarantee or other agreements as required between the Company and Maxium.
- (d) the Company is a corporation duly incorporated and organized, validly existing and in good standing under the laws of Ontario.

NAME	OFFICE HELD	SIGNATURE
John Gerges	President	Fight
Gamal Gerges	Secretary	Rep
Suzan Nana	Treasuer	ap

DATED at Turgate the 15 day of March 2015

D Genal Genes Secretary

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Jimmy's Group Investors Inc.

(who, logether with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

2. OBLIGATIONS GUARANTEED

In consideration of Maxium Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and luture lease payments and obligations, conditional sale instalments and obligations, and any other debts and leasing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and luture lease payments and obligations"), both direct and indirect, (whether incomediatore or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or leasing bayable to us by the Customer under any and all lease agreements, conditional sale contracts, credit leadings, guarantees, letters of credit, indemnites together with all costs and expenses, incurred by us in connection with the deatings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unerforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- Itre extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any offser person
- the taking or not laking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guaranter
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- It is bankruptay of the Oustomer or any proceedings commoniced by the Oustomer uniter the Bankruptay and Insolvency Actor the Companies Circitions Anangement Actor successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duly of ours (whether liduciary or in negligence or otherwise) and whether owed to you, the Clustomer, or any other person
- Incapacity, or lack of status or legal existence of the Customer
- Ine Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, delect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

### 4. MAXIUM NOT LIABLE

We do not owe you any duty (as a liduciary or otherwise) and you hareby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officiers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Oustomer incurs up to and including the day siter we receive your notice and for Obligations arising cut of agreements made prior to the receipt of your notice.

# 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoif or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereater granted under applicable law, and not by way of invitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly writed by you, to setolit, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, egainst and on account of the Cbligations.

#### 7, REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstaled, as the case may be, if at any time any payment (in whole or in part) of any of the Obtigations is rescinded or must attentive be returned or restored by us by reason of the insolvency, barkruptcy or recognization of the Dustomer or for any other reason not involving our willul misconduct, all as though such payment had not been made.



#### 8. APPLICATION OF MONEYS RECEIVED

We may, without police, apply all moneys received from you, or the Customer or any other person (inducing under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also reveke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recause against the Custamer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You wrive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnify digation to use to take the source of liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or inelfective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis. 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future dabts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and fabilities, until the Obligations are repaid in full if you receive any moneys in payment of any of such debts and flabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your fability under this Guarantee.

14, CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, wilhout notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is hald and you intervocably submit to the exclusive jurisciction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisciction is, as to that jurisciction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lightly will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future hold by us. There are no representations, collateral agreements, waranties, or conditions with respect to, or allecting your fability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in willing by us. Curr willion statement of the amount of the Obligations, shall be conclusive and binding on you. You expressly waive notice of the wisterce or creation of all or any of the Obligations, presentment, domand, mice of distance of all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such (urther acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

### 19. DEFINITIONS

In this Guarantee "you" your" and "yours" refer to the guarantor named below.

BY:

Name: Tille:

# **DEBTOR 6: JMWPI**

#### CWB Maxium Financial Inc. Guarantee

### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: JM Westview Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

# 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" In this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and intrue lease payments and obligations, conditional sale instalments and obligations, and any other relates and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not metured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, informatives together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any intulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any charge in control of the Customer (if the Customer Is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and hisokency Act or the Companies Creations Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fidudary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Oollgation
- not providing our daim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### S. TERMINATING FURTHER UABILITY

You may cancel this Guarantee for any future Ox/ligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SETOFF OR COUNTERCLAIM-

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

# 7. RENSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduizt, all as though such payment had not been made.

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee}, and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any dalm for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the hankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that daim because you assign to us your right to prove your daim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guaramee Inducting the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in bust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCUSSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAJ,

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be condusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18 FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "your" and "yours" refer to the guarantor named below.

Dated this AUGy of 2 2018			4
IN WITNESS WHEREOF:	Witness		- tal
BY: DA M		BY:	Ne/
Name: Sandura 424550f			John
Guarantee			

**DEBTOR 7: JPII** 

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#### CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

### Jubilee Property Investments inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, guarantees, letters of credit, indemnities together with all costs and expenses, induring legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or tack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full.
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER UABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be kidle under this Guarantee for any of the Obligations that the Customer incurs up to and inducting the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### G. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

# 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 27 day of July.	19
Bless Pharma Ind.	
BY: ADA	

Name John Gerges

Title:President

#### 8, APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMINITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17, GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, waranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or oreation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

in this Guarantee "you" "your" and "yours" refer to the guarantor named below.

8Y: Name:

. . .

Title:

# CWB Maxium Finandal Inc.

#### Guarantee

# 1. CUSTOMER GUARANTEED

# The name of the customer whose obligations you are guaranteeing is:

# Jubilee Property Investments Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"),

# 2. OBLIGATIONS GUARANTEED

In consideration of CWR Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnilias together with all costs and expenses, including legal fees and expenses, included by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set on below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise);
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWG MAXIUM NOT LLABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receiver appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waved by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptoy or reorganization of the Customer or for any other reason not involving our will ull misconduct, all as though such payment had not been made.

Dated this Stay of NOV

**Resident Medical Group Inc.** Name Title:

#### 6. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhibit our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You wave all benefits of discussion and division.

#### **10. INDEMINITY**

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your daim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and llabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Oblgations and in such case, our assignee may enforce this Guarantee and wa may enforce this Guarantee for any part of the Oblgations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other protects whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Name:

Title:

# CWB Maxium Financial Inc.

#### Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose oblgations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"].

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and labilities (collectively, (he "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or foes) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, including us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee Is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise alfected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Oustomer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other parson
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement fram, or granting releases or discharges to, the Customer or any other person, including another guaranter
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or other/vise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Oustomer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event wholsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day alter we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole of in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our willour esconduct, all as though such payment had not been made.

Dated this 5 day of November A IN WITNESS WHEREOF: BY: Name: Guarantee

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. DRHAUSTING RECOURSE

We do not need to exhaust our recourse against the Circlorner or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expanse or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankouptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own dient basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owas to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

# 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

### **15. ASSIGNMENT OF OBLIGATIONS**

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you interocrably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any lead now or in the future held by us. There are no representations, collateral agreements, warrankes, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the arrount of the Obligations shall be conclusive and binding on you. Your expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of distonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

Dey Car Al

# Jubilee Property Investments Inc.

#### CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether alisolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overlaafts, guarantees, letters of credit, indomnities together with all costs and expenses, including legal fees and legal expenses legal fees and legal fees and legal fees and legal fees and legal expenses in the fees expenses in the fees expenses expenses in the fees expenses ex

#### 3. THE NATURE OF YOUR LIABLITY

Your lability under this Guarantee is CONTINUING, absolute and unconditional It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the Underforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- Ine extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor.
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the banknuptcy of the Customer or any proceedings commenced by the Customer under the Banknuptcy and Insolvency Act or the Companies Creditors Amangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fidualary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptcy of the Oustomer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waved by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the hisolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our willul misconduct, all as though such payment had not been made.

Dated this day of IN WITNESS WHEREOF:	POX 2017
BY:	Th
Name: Isaac	Grabner
Guarantee	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### **10. INDEMNITY**

Jubilee Property Investments Inc.

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dwidends in respect of that claim because you assign to us your right to prove your claim and receive dividends

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you Inevocably submit to the exclusive jurisdiction of the courts of that province.

# 17, GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind new or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below

BY:

John Gerges

# CWB Maxium Financial Inc.

Granentee

# 1. CUSTOMER GUARANTEED

#### Jubilee Property Investments Inc.

(who, together with the Customer's successors, helis and assigns, shall be referred to herein as the "Customer").

# 2. OSUGATIONS GUAPANTEED

In consideration of CWB Maxism Francial Inc. (referred to as "we", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Outcomer, you guarantee payment to us on demand; of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and fabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred above or jointly with others, whether absolute or configent, whether matured or not matured, and whether for principal, interest or face) payable to us by the Oustomer under any and all lease agreements, conditional sale contracts, credit facilities, guarantees, leaters of credit, indemnides together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Oustomer. You agree to be bound by each of the terms and conditions sale out below.

### 3. THE NATURE OF YOUR LABILITY

Your Estency under this Guarantee is CONTINUUNG, absolute and unconditional, it will not be Entered, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Outcomer or any other person
- any change in the terms or encount or existence of the Obligations

The name of the customer whose obligations you are guaranteeing is:

- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Oustomer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Oustomer
- your šabišty under any other guarantee
- the reorganization of the Oustomer's business (whether by amaigamation, merger, transfer, sele or otherwise)
- any change in the Oustomer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Oustomer (of the Oustomer is a parmership)
- the bankuptcy of the Outcomer or any proceedings commenced by the Customer under the Bankuptcy and Insolvency Act or the Companies Circultors Arrangement Act or successor legislation
- our fature to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fidudary or in negigence or otherwise) and whether owed to you, the Customer, or any other person
- Incapacity, or lack of status or legal existence of the Outcomer
- the Outcomer's account being closed or our cessing to deal with the Outcomer
- Environguianity, fraud, defect or lack of authority or formality in incurring the Objection
- not providing our claim in a barisruptoy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Outcomer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

# 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby weive any right to make any daim or counterclaim and to rake any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or egents, or any receivers appealated by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABRITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# & NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setaff or counterclaim that you have or may have against us or the Quatomer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to satolf, appropriate and apply any and all deposits and any other indektedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment fin whole on in part) of any of the Obligations is reached or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Outsomer or for any other reason not involving our with misconduct, all as though such payment had not been made.

toy of NOV 2017 Dated this

IN WITNESS WHEREOF:

8Y:

Name:

# Quarantee

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all monieys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Oblgations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

# 9. DOHALISTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive as benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) Indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legel and other costs, charges and expenses incurred by us in connaction with proserving or onforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Castomer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Castomer the encount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12.005TS AND EVENING

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the **charges and** expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabities that the Outpomer owes to you to the prior payment to us of the Orligations. You assign to us all such debts and liabities, until the Orligations are repaid in full. If you receive any moneys in payment of any of such debts and liabities, you will hold them in trust for, and will immediately pay them to, uwithout reducing your liabity under this Guarantee.

#### 14 CONSENT TO DISCLOSE INFORMATION

We may from this to time give any credit or other **information about you to**, or receive such information from, any credit bureau, reporting agency or other person.

#### 15, ASSIGNMENT OF OBLIGATIONS

We may, without notice, set or assign the Obligations and in such case, our assignce may enforce this Guatantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurbdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without threakding the remarking provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is haddition and without projudice to any security of any kind now or in the fatture held by us. There are no representations, collateral agreements, warrantee, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No abaration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Cur written statement of the amount of the Colgations shall be conclusive and binding on you. You expressly waive notice of the existence or are or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whistoprice.

#### **18. RUNNHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19, DERNITIONS

In this Guarantee "your" your" and "yours" refer to the guaranter named below.

# **DEBTOR 8: MMPI**

# CWB Maxium Rnandal Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Maple Medi Pharma Inc.

(who, together with the Oustomer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "ours" and "us" In this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or joinity with other absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indematies together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your fisibility under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Oustomer or any other person.
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registrating, or nanewing any security.
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another gatement or
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Oustomer (if the Oustomer is a partnership)
- the banknuptcy of the Customer or any proceedings commenced by the Customer under the Banknuptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- Incapadity, or lack of status or legal existence of the Oustomer
- the Oustomer's account being closed or our ceasing to deal with the Oustomer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptuy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOTUABLE

We do not owe you any duty (as a liduciary or otherwise) and you hereby waive any right to make any claim or nounterclaim and to rake any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any datm for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us in the occurse of any of our actions or their actions.

# 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the tlay after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly walved by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Ozigations.

#### **2. REINSTATEMENT**

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is reschided or must otherwise be retained or restored by us by reason of the kisolvency, barkruptcy or reorganization of the Customer or for any other reason not luvolving our withd misconduct, all as though such payment had not been made.

Dated ti	ils_27day of_	Jure,	2019
Bless I	Pharma Inc.	4	
BY:	P	A	•
Name:	John Ger	-	
Title:	Presiden	t	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all maneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and after any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. NDSVNM

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11, POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Outcomer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the bankouptcy of the Customer the amount paid by you under this Guarantee and necesse dividends in respect of that daim because you assign to us your right to prove your daim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee inducting the charges and expenses of our in-house lawyers. You will pay the lagal fees on a solicitor and own client basis.

# 13, ASSIGNMENT AND POSTFONEMENT OF CLAIMS

You postpone the repayment of all present and future dobts and labitities that the Outcomer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabitities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabitities, you will hold them in trust for, and will invinediately pay them to, us without reducing your liabitity under this Guaranteo.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other porson.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in auch case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNMGLAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, helfective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's fability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee, no alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obigations shall be conclusiva and binding on you. You expressly waive notice of the existence or creation of all or any of the Obigations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. RURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY: Name:

......

Title:

#### 1. CUSTOMER GUARANTEED

# The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### Maple Medi Pharma Inc.

2. OSLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and labbities (collectively, the "Obligations"), both direct, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured, or at matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, oredit facilities, overdiality, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee & CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the imenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person.
- any charge in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any includence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or other/wise).
- any change in the Customer's financial condition
- any charge in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any processings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to ablde by agreements relating to the Obligations
- a breach of any duty of ours (whether fidudary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incuring the Obligation
- not providing our claim in a banknuptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by its, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer Incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter, granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waved by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this <u>QS</u> day of <u>May</u> IN WITNESS WHEREOF: BY: (SAAC GRURNER Name: Guarantee

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhiust our recourse against the **Customer** or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMINITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnify digatation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and purctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the changes and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14, CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurkdiction is, as to that jurkdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Quarantee, each person's jubility will be joint and several. This Quarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warrantee, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Colligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

John Gerges

BY:

#### CM/8 Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, Interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overtirafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses

Maple Medi Pharma Inc.

#### 3. THE NATURE OF YOUR MABILITY

Your Ilability under this Guarantee Is CONTINUING, absolute and unconditional It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, Including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or ornissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be llable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterdaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptoy or reorganization of the Customer or for any other reason not involving our wiful misconduct, all as though such payment had not been made.

Dated this IN WITNESS W BY:	LS <sub>day of</sub> <u>M</u> Inereof:	ay	$\left( \right)$	3018	
Name:	LSAAC	GRI	UB)	KER	
Guarantee	-				

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application,

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are baid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that daim because you assign to us your right to prove your claim and receive dividends.

# 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and llabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and In such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNINGLAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

# **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

BY

In this Guarantee "your" wour" and "yours" refer to the guaranter named below.



Chun-Ho Chan

**DEBTOR 9: RHP** 



4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 1S1 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

For value received the undersigned John Gerges (the "Guarantor") hereby guarantees to ELEMENT FINANCIAL CORPORATION ("Element") payment, forthwith after demand made therefore as hereinafter provided, of all indebtedness and liability (past, present and future, direct or indirect, absolute or contingent, matured or not) of BLESS RIVER PHARMA INC, as ("the Obligor) to Element whether arising from the agreement or dealings between Element and the Obligor or from agreement or dealings between Element and any third party by which the Obligor now is or hereafter may become indebted or liable to Element or however otherwise arising and whether the Obligor be bound alone or with another or others and whether as principal or surety or guarantor, and the Guarantor further agrees that:

- If more than one Guarantor executes this instrument the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Guarantor shall include the undersigned and each and every one of them severally and this guarantee and all covenants and agreements herein contained shall be deemed to be joint and several.
- Element may increase, reduce, discontinue or otherwise vary the Obligor's credit, grant time, renewals, extension, releases and discharges to take and give up security (which may include other guarantees), and otherwise deal with the Obligor or others or from the sale or other disposal of security upon such part of the Obligor's liability as Element may think best, without prejudice to or in any way limiting or lessening the liability of the Guarantor under this guarantee. The Guarantor's obligation to pay under this guarantee shall not be limited or reduced as a result of the termination, invalidity or unenforceability of any right of Element against the Obligor or any other party (including other guarantors) for any cause whatsoever.
- 3 This guarantee shall be continuing security for payment by the Obligor to Element of all the indebtedness and liability aforesaid.
- 4 Element shall not be bound to exhaust its recourse against the Obligor or other parties or the securities that it may hold before being entitled to payment from the Guarantor under this guarantee.
- 5 Any loss of or in respect of security received by Element from the Obligor or others, whether occasioned through the fault of Element or otherwise, shall not discharge or limit the liability of the Guarantor under this guarantee.
- Any change or changes in the name of the Obligor, or, if the Obligor is a partnership, any change or changes in the membership of the Obligor's firm by death or by the retirement of one or more of the partners or by the introduction of one or more new partners or otherwise, shall not affect or in any way limit or lessen the liability of the Guarantor under this guarantee and this guarantee shall extend to the person, firm or corporation acquiring or from time to time carrying on the business of the Obligor.
- All monies, advances, renewals and credits borrowed or obtained from Element shall be deemed to form part of the indebtedness and liabilities hereby guaranteed, notwithstanding any incapacity, disability, limitation of status or lack of power of the Obligor or the directors, partners or agents thereof, or that the Obligor may not be a legal entity, or any defect in the borrowing or obtaining of such money, advances, renewals or credits; and any amount which may not be recoverable from the Guarantor on the footing of a guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and it shall be paid to Element after demand thereof by Element.
- 8. Any account settled or stated by or between Element and the Obligor shall be accepted by the Guarantor as conclusive evidence that the balance or amount thereby appearing due by the Obligor to Element is in fact so due.
- 9. The Guarantor agrees not to assert any right of contribution against any other guarantor until the Obligor's indebtedness and tiabilities have been paid in full. If Element should receive from the Guarantor a payment in full or on account of the indebtedness or liability under this guarantee, all rights of subrogation arising therefrom shall be postponed and the Guarantor shall not be entitled to claim repayment against the Obligor or the Obligor's estate until Element's claims against the Obligor have been paid in full; and in the case of liquidation, winding up or bankruptcy of the Obligor (whether voluntary or compulsory) or in the event that the Obligor shall make a bulk sale of any of the Obligor's assets within the bulk transfer provisions of any applicable legislation, or shall make any compromise with creditors or scheme of arrangement, Element shall have the right to rank for its full claim and receive dividends or other payments in respect thereof until its claim has been paid in full and the Guarantor shall continue to be liable, up to the amount guaranteed, less any payments made by the Guarantor, for any balance which may be owing to Element by the Obligor.
- Any notice or demand which Element may wish to give may be served on the Guarantor either personally on the Guarantor or the Guarantor's legal personal representative or, in the case of a corporation, on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known address of the Guarantor to be served as it appears on Element's records and the notice so sent shall be deemed to be received on the second business day following that on which it is mailed.
- As security for the performance of the Guarantor's covenants herein and the payment of the present and future debts and liabilities of the Obligor to Element, the Guarantor hereby grants to Element a security interest in all debts and liabilities, present and future, of the Obligor to the Guarantor, all of which are hereby assigned by the Guarantor to Element and postponed to the present and future debts and liabilities of the Obligor to Element. Any monies or other proceeds received by the Guarantor in respect of such debts and liabilities shall be received in trust for and forthwith paid over to Element, in whole, without in any way limiting or lessening the liability of the Guarantor hereunder. Notwithstanding anything to the contrary herein, the assignment



# 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 1S1 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

- and postponement contained in this paragraph 11 are intended to be and are independent of the remainder of this guarantee and may, at the option of Element, be severed therefrom. The Guarantor hereby acknowledges receiving a copy of this guarantee and waives all rights to receive from Element a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this agreement.
- \*2. The Guarantor shall be currently liable under this guarantee at any time for the full amount of the debts and liabilities of the Obligor to Element then outstanding, provided that the Guarantor shall not be in default under or in breach of this guarantee unless and until Element has made demand upon the Guarantor hereunder and the Guarantor has failed to pay the amount demanded or otherwise failed to comply with such demand forthwith following receipt for deemed receipt) of such demand. In the case of default Element may maintain an action upon this guarantee whether or not the Obligor is joined therein or separate action is brought against the Obligor or judgment obtained against the Guarantor. Element's rights are cumulative and shall not be exhausted by the exercise of any number of successive actions until and unless all indebtedness and liability guaranteed has been paid and each of the Guarantor's obligations under the guarantee has been fully performed.
- 13. The Guarantor shall pay to Element on demand (in addition to all debts and liabilities of the Obligor hereby guaranteed) all costs, charges and expenses (including without limitation, lawyer's fees as between solicitor and his own client on a full indemnity basis) incurred by Element for the preparation, execution and perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest thereon, both before and after demand, default and judgment, calculated from the date of payment by Element of each such cost, charge and expense until payment by the Guarantor hereunder, at a rate equal to 3% above the rate published by The Bank of Nova Scotia from time to time as The Bank of Nova Scotia's prime lending rate. A statement signed by an officer of Element confirmed as The Bank of Nova Scotia's prime lending rate at any time or times shall be conclusive evidence thereof for all purposes under this guarantee.
- This instrument is in addition and without prejudice to any other securities of any kind including any other guarantees, whether or not in the same form as this instrument, now or hereafter held by Element. Without limiting the generality of the foregoing, all limits and evidence of the liability pursuant to any guarantee now or hereafter held by Element shall be cumulative.
- 15. There are no representations, warranties, collateral agreement or conditions with respect to this guarantee or affecting the Guarantor's liability hereunder other than as contained herein. Without restricting the generality of the foregoing, this guarantee shall be operative and binding upon every signatory hereto notwithstanding the non-execution hereof of any other proposed or intended signatory or signatories.
- 16. This instrument shall be construed in accordance with the laws of the province of residence of the Guarantor, and the Guarantor agrees that any legal suit, action or proceedings arising out of or relating to this instrument may be instituted in the course of such province or territory and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit Element's right to bring proceedings against the Guarantor elsewhere.
- 17. This instrument shall extend to and enure to the benefit of the successor's and assigns of Element and shall be binding upon the Guarantor and the heirs, executors, administrators and successors of the Guarantor.

Given under seal at	Terms Ontarito this 26 day of August 2015.
Guarantor:	John Gerges
	× Mp-
	A
Witness Signature:	× Maryerdel
Witness Name:	X MARSHA RAMPERSAD
Address:	× 3459 Sheppard the 15 # 212 Toronto, ON
Phone:	× 416 292 0414

**DEBTOR 10: S&J** 

### 1951584 Ontario Inc. (formerly Desante Financial Services Inc.) Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

# S&J Property Investors Inc.

#### 2. OBLIGATIONS GUARANTEED

In consideration of 1951584 Ontario Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, oredit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal (see and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other persin
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security.
- accepting settlement from, or granting releases or clischarges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankniptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insalvency Act or the Companies Creditors Anangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether awed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being dosed or our ceasing to deal with the Customer
- any megalarity, haud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full.
- any event whatsoever that might be a detence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. 1951584 ONTARIO NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclarm and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

# 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer mouns up to and including the day after we receive your notice and for Obligations arising out of agreements made phon to the receipt of your notice.

#### 6. NO SETOPE OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our willful misconduct, all as though such payment had not been made.

Dated this 3 day of June, 2019 Bless Pharma\_Inc.

By: Name: John bis ges



# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our dami in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

# 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own dient basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIVIS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your flability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you intervocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's fability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warrantee, or conditions with respect to, or affecting your fiability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be condusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices winatscever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY: Narper from bengt Title:

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) Guarantee

# 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

# S&J Property Investors Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

# 2. OBUGATIONS GUARANTEED

In consideration of 1951584 Ontario Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debus and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, Whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conclitional sale comtracts, credit facilities, overdiafts, guarantees, letters of Oredit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your lability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other cersor
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer lift the Customer is a partnership)
- the bankniptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act on the Companies Creditors Arrangement Act or successor legislation
- ow failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any in egularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might he a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4, 1951584 ONTARIO NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING PURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will however, continue to be liable under this Guarantee for any of the Obligations that the Customer mours up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice

#### 5. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any nghts now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

# 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is recorded or must otherwise be returned or restored by us by reason of the insolvency, bankruntcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made

Dated th	this <u>3</u> day of <u>June 19</u>	~
IN WITN	NESS WHEREOF:	
BY:		
Name	Crowl Leigts	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you withold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever

#### 18. FURTHER ASSUBANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee

# **19. DEFINITIONS**

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

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BY:	the





# 1. CUSTOMER GUARANTEED

# The name of the customer whose obligations you are guaranteeing is:

# S&J Property Investors Inc.

#### 2. OBLIGATIONS GUARANTEED

In consideration of 1951594 Ontario Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively), the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or continuing to deal with the customer to us and whether incurred alone or jointly with others, whether absolute or continuing to the dealers, whether absolute or continues or ot matured, and whether for principal, interest or lees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdiatts, guarantees, letters of credit, indemnities together with all rosts and expenses, including legal fees and legal or payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdiatts, guarantees, letters of credit, indemnities together with all rosts and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

### 3. THE NATURE OF YOUR LIABILITY

Your fability under this Guarantee is COMTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- The extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person.
- not taking, perfecting, registering, or renewing any security.
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, induding another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the (sanknuptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Imalkemry Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer.
- any inegularity, fixed, defect or tack of authority or formality in incurring the Obligation
- inst providing our daim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. 1951584 ONTARIO NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterctaim and to raise any right of set off, erjustable or otherwise, arising from any alleged breach of a duty owerd to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the curse of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may caucel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all (keposits and any other indebtedness at any time heldby us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the rase may be, if at any time any payment (in whole or in part) of any of the Obligations is resoluted or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Cated this	3 day of Sive WH
IN WITNESS	WHERE OF
BY:	YA
Name	John Cerfls
Guarantee	0

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

# 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or hability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our lights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptory of the Customer the amount paid by you under this Guarantee and receive dwidends in respect of that claim because you assign to us your right to prove your claim and receive dwidends.

# 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14, CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15, ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that Is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, wan anties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to he done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19, DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

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	Gar	nal Farid G	erges	

# **DEBTOR 11: SJCPI**

#### CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

#### SJ Colborne Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to here'n as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, oredit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in convection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional, it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Oblgations, any security, or any of our other nights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receive focur notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

## 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Okilgations is rescinded or nust otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 23 day of December 2019 IN WITNESS WHEREOF: BY: Mileperson

# Name: Guarantee

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

# 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive albenefits of discussion and division.

#### 10. INDEMNIT

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends In respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own dient basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such Information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your lability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations, shall be conclusive and binding on you. You expressly waive notice of the existence or reation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DERIVITIONS

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

	A
BY:	CAP
	John Gerges

#### CWB Maxlum Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# SI Colborne Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" In this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or lointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, included by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unerforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your lability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptoy of the Customer or any proceedings commenced by the Customer under the Bankruptoy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Custome
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be lable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly walved by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 23 day of December 2015 IN WITNESS WHEREOF: BY: Nikeler per (w) Name: MARSHA RAMP ("RIKJA)

# Guarantee

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or Ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

## 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive. dividends.

# 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other Information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned. 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENFRAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us, Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:	Safet
	Samir Shenoda

**DEBTOR 12: TAP** 

# CWB Maxium Financial Inc.

# Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Toronto Apothecary Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"). 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and (jabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any incluigence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptoy of the Customer or any proceedings commenced by the Customer under the Bankruptay and Insolvency Act or the Companies Creditors Amangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be fiable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this day of Bless Pharma Inc.
BY: P
Name: JOHN CRERLIES
Title: PRESIPENT

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost. loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our In-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full if you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a Judscliction is, as to that juriscliction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Name:

Title:

#### CWB Maxium Financial Services Inc. Guarantee

#### 1. CLISTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Toronto Apothecary Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"]. 2. ORLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Eustomer, you guarantee payment to us on demand, of all present and future lesse payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both clirect and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, contritional sale contracts, credit facilities, overdrafts, guarantees, letters of orecit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Oustomer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Oustomer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abke by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions

#### 5. TERMINATING FURTHER WABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 11 day of March 2016 IN WITNESS WHEREOF: BY: Mlaupernd Name: XIANSND-RAMPER

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

# **20. INDEMINITY**

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

## 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that daim because you assign to us your right to prove your daim and receive dividends.

# 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liablities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and flabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 15. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

BY:

In this Guarantee "you" "your" and "yours" refer to the guarant or named below.

John Gerges

#### CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Toronto Apothecary Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"). 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and flabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your fiability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or clischarges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Oustomer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is resclinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this	day of	· · · ·	. N
2503338 Ontari	o Inc.	1	Λ
BY: ((-)		-10	AP-
Name J	SMN'	CREP	rts
Title: PRI	ESIDE	ENT	1

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (induding under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### **10. INDEMINITY**

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses Incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Oustomer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such Information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### **16. GOVERNING LAW**

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### **17, GENERAL**

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **16. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# **19. DEFINITIONS**

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

BY: Name:

: •0

Title:

CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

# Toronto Apothecary Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

# 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, Interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, redit facilities, overdrafts, guarantees, letters of credit. Indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the erms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events.

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any megularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT UABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### **6. NO SET OFF OR COUNTERCLAIM**

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereander, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, as an account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 30 day of Harif 2016
Toronto Surrey Pharma Inc.
er:
Nome JOHN GER 465
Title: PRESIDENT

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you or the Customer or any other person (including under any security that we may from time to time hold) to such  $p_i$  if of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9, EKHAUSTING RECOURSE

We do not need to exhaust our recourse against the Custor ter or any other person or under any security interest we may from time to time hold before being entitled to full rayment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMINITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and pulctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or ilability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any t ther person

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the C istomer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you : ssign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis

13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debrs and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all sull hadebts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such delits and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability urider this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

## 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Oblig: tions not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the law s of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If It wo or more persone sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition : nd without prejudice to any security of any kind now or in the future held by us. There are no representations, collar and agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be to conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligat ons, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

## **19. DEFINITIONS**

In this Guarantee "you" "your" and "yours" refer to the guar: ntor named below.

BY:

Name:

Title:

**CERTIFIED TRUE COPY** 

Cressguarante put in # 2,852.95 1-11,0231

**DEBTOR 13: TSPI** 

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is;

Toronto Surrey Pharma Inc.

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and flabilities (collectively, the "Obligations"), both direct and indirect, (whether incorrect alcone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, Interest or fees) payable to us by the Outcomer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

- the thenforceability of the Obligations, any security, or any of our other rights against the Customer or any otherperson
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Oustomer or any other person, Including another sugrantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your labaty under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or charge in membership of the Customer (if the Customer is a partnership)
- the bankriptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Greditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Custoines, or any other person
- Incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Elistomer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

## 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is resoluted or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our will ut misconduct, as as though such payment had not been made.

Dated this <u>30</u> day of <u>Harch</u> 2016 IN WITNESS WHEREOF: BY: <u>MRaccpol</u> Name: <u>NARSIMK</u> RAMPERIN

# Guarantee

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person lincluding under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application,

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

### 10 INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

# 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Utili all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12, COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guatantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will Immediately pay them to, us without reducing your liability under this Guarantee.

# 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without Invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's flability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warrantles, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or walvar of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly write notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

1 BY: John Gerges

# **1. CUSTOMER GUARANTEED**

The name of the customer whose obligations you are guaranteeing is:

# Toronto Surrey Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" In this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and fiabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others; which re debts and fiabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others; which er absolute or contingent, whether matured or not matured, and whether for principal, interest or lees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee Is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events;

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability uncler any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer Is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Actor the Companies Creditors Arrangement Actor successor legislation
- our failure to ablde by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. OWB MAXIUM NOT LABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wildumisconduct, all as though such payment had not been made.

Dated this 30 day of March with Surrey Drug Mart Ltd.
BY: Name: JOHN GERGES
THUE: PRESIDENT

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

## 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or ilability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, volidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customar or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive Gividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee Induding the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you interocably submit to the exclusive jurisdiction of the courts of that province.

#### 17, GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warrandes, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatscever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "your" and "yours" refer to the guarantor named below.

BY:

Name:

Title;

CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

### Toronto Surrey Pharma Inc.

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct, evidential collective or jointy with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Oustomer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIASILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, helrs and assigns, shall be referred to herein as the "Customer").

- the unenforceability of the Obligations, any security, or any of our other rights against the Oustomer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Oustomer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CW6 MAXIUM NOT LABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, olficers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### **7. REINSTATEMENT**

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is resclinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Oustomer or for any other reason not involving our which misconduct, all as though such payment had not been made.

Dated this <u>81</u> day of <u>March</u> 2018 Toronto Apothecary Pharma Inc. BY: Name: DIEP N CTUYED Name: DIEP N CTUYED Title: PRESIDENT

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application,

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) Indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, toss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been pald in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the banknuptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive citédencis.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee inducting the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repeatin full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, wananties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be condusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of cishonor, protest and all other notices whatsoever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

In this Guarantee "your" and "yours" refer to the guarantor named below.

BY: Name:

Title:

**DEBTOR 14: WHI** 

#### CWB Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

#### Westway Holdings Inc.

2. OBLIGATIONS GUARANTEED

In consideration of QWB Maxium Rhandal Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Oustomer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred abne or joinity with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Oustomer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Oustomer. You agree to be bound by each of the terms and conditions set out below.

#### THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Oustomer (if the Oustomer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and insolvency Act of the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXUM NOT LIABLE

We do not owe you any duty (as a fidudary or otherwise) and you hereby waive any right to make any daim or countendialm and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER UABUITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEVENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Oblications is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wiful misconduct, all as though such payment had not been made.

Dated this 22 day of Junary 201 St. Marina & St. Abraam Ltd.

BY:

Name: Title:

RAMACNANDRAN RAMAPATHY OPHIDENT

Jam

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEWNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our claim in the bankruptry of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12, COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and fabilities, until the Obligations are repaid in full if you receive any moneys in payment of any of such debts and liabilities, you will hok them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FLETTHER ASSLIRANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DERNITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BV:

Name:

Title:

#### 1. CUSTOMER GUARANTEED

The name of the sustomer whose obligations you are guaranteeing is:

#### Westway Holdings Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"). 2. OBLIGATIONS GUARANTIEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and furure lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Outcomer under any and all lease agreements, conditional sale contracts, oredit facilities, overdrafts, guarantees, letters of oredit. indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional, it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, inducing another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Oustomer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Oustomer Under the Bankruptcy and Insolvency Act or the Companies Greditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby walved

#### 4. CWB MAXUM NOT LIABLE

We do not owe you any duty (as a figuriary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5, TEAMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our will'ul misconduct, all as though such payment had not been made.

Dated this 22 day of January Jelly IN WITNESS WHEREOF: BY: MARULA RAMPLETES AD

#### & APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (Including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Oustomer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends

#### 12, COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full, If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your fiability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as combined in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Oblications shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatspever.

#### 1& FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 10 DEFINITIONS

in this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Ramachandran Ramapathy

Guarantee

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

#### Westway Holdings Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

# 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, including legal fees and expenses, included by us in connection with its dealings with the Oustomer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guerantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your fiability under any other guarantee
- the reorganization of the Oustomer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Oreditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other cerson
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed of our ceasing to deal with the Oustomer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptay of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Oustomer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. OWB MAXE MANOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owerd to you, or the Oustomer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or countercialm that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Oustomer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this 22 day of January 2018 IN WITNESS WHEREOF: BY: MRangerad Name: MARSHA RAMIDIST FAM

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (Including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revolve and alter any such application,

### 9. DOMAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEWNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expanse or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankouptcy of the Oustomer the amount paid by you under this Guarantee and receive dividends in respect of that dairn because you assign to us your right to prove your dairn and receive cividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee inducting the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis,

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Oustomer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in sust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or weiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly welve notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18, FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 29. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY: Atth	N JAYAK	RY-
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Guarantee

# **DEBTOR 15: RMGI**

#### Desante Financial Services Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the oustomer whose obligations you are guaranteeing is:

# Resident Medical Group Inc.

(who, logether with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"). 2. OBLICATIONS GLIARANTEED

In consideration of Desante Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional safe instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolue or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional safe contracts, oredit tacilities, overdraits, guarantees, letters of credit, indomnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your fiability under this Guarantee is CONTINUING, absolute and unconditional. It will not be fimited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or delault by us in the exercise of any right or remedy against you or the Customer.
- your liability under any other guarantee
- The reorganization of the Customer's business (whether by amalgamation, merger, translet, sale or otherwise)
- + any change in the Oustomer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- The barkruptoy of the Customer or any proceedings commenced by the Customer under the Bankruptoy and Insolvency Actor the Companies Creations Arrangement Actor successor legislation
- our failure to abide by agreements relating to the Obligations.
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, insud, delect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. DESANTE NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any clarm or countentain and to raise any right of set oil, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any clarm for any negligence or any breaches or omissions on our part, or any of our employees, directors or agents, or any rectivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any luture Oblgations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Oblgations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

# 7. REINSTATEMENT

This Guarantee and at other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if all any time any payment (in whole or in pat) of any of the Obligations is resoluted or must otherwise be relamed or restared by us by reason of the insolvency, bankrupicy or reorganization of the Oustomer or for any other reason not invoking our withit misconduct, all as though such payment had not been made.

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Oustomer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may loom time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of decussion and division

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnity us and keep us indemnitied against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or altempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or tiability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the barkruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal (ses, ol enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal (ses on a solicitor and own client basis, a content of the second secon

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and fabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and fabilities, until the Obligations are repaid in that. If you receive any moneys in payment of any of such debts and fabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

14. CONSENT TO DISCLOSE INFORMATION

We may know time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned

# 16. GOVERNING LAW

This Guarantee shall be construed in accompance with the taws of the province where the Ousiomer's account is held and you insvocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warantee, no contitions with respect to, or allecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of distoror, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such lurther acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

BY:

In this Guarantee "you" your" and "yours" refer to the guarantor named below.

Dated this 26 th February 2016. IN WITNESS WHEREOF: BY:

Name:

Guarantee

Stephen L. Cappe Barrister & Solicitor 1501 - 5001 Yonge Street. Toronto, Ontario M2N 6P6 Tel: (416) 366-7305 • Fax: (416) 630-5906 e-mail: slc@slceppelaw.com \_\_\_\_\_

John Gérges

# Desante Financial Services Inc. Guarantee

# 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

#### Resident Medical Group Inc.

(who, logether with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

# 2. OBLIGATIONS GUARANTEED

In consideration of Desarte Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and tubus lease payments and obligators, conditional sale instalments and obligators, and any other dabts and fabilities (collectively, the "Obligators"), both direct and indirect, (whether incurred alone or jointly with others, whather absolute or contingent, whether matured or not matured, and whether incurred alone or jointly with others or payment and adjusters, conditional sale instalments and obligators, and any other dabts and fabilities (collectively, the "Obligators"), both direct and indirect, (whether incurred alone or jointly with others, whather absolute or contingent, whether matured or not matured, and whether incurred alone or jointly with others or jointly with others, incurred sale to a payment is us incorrection with its dealings with the Customer". You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

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- the laking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
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- your liability under any other guarantee
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- the barkruptcy of the Oustomer or any proceedings commenced by the Oustomer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether swed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
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Dated this 26 <sup>44</sup> day of February 2 Bless Pharma Inc.	en.
Name: John Cterges Tille: President I have authority to bine	1 the Corporation

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all monays received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

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We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

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This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you interoceably submit to the exclusive jurisciction of the courts of that province.

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#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such luriher acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Title:

# Bless Pharma Inc.

# RESOLUTION OF THE DIRECTORS AUTHORIZING A GUARANTEE OF ADVANCES BETWEEN THE CORPORATION AND DESANTE FINANCIAL SERVICES INC. ("Desante")

I, John (terges, hereby certify under the corporate seal of Bless Pharma Inc. (the "Company") that:

- (a) I am the duly appointed secretary of the Company,
- (b) a resolution has been passed and the company is authorized to execute a guarantee in favour of Desante whereby the Company guarantees the indebtedness and liability of Resident Medical Group Inc. to Desante;
- (c) the following is a list setting forth the names of officers and directors of the Company who are authorized to sign documents, with an example of each of their respective signatures, in particular such officers and directors are authorized to execute the Guarantee or other agreements as required between the Company and Desante.
- (d) the Company is a corporation duly incorporated and organized, validly existing and in good standing under the laws of Ontario.

John Georges	OFFICE HELD Prosident - Secretary-Troosure	SIGNATURE ACT
J		
DATED at Toouloiditano the	26th day of February	,2016.
		Fell
	S	ecretary

# Desante Financial Services Inc. Guarantee

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

### Resident Medical Group Inc.

(who, together with the Ousiomer's successors, heirs and assigns, shall be referred to herein as the "Customer") 2. OBLIGATIONS GUARANTEED

In consideration of Desarte Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether metured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overtraits, guarantees, letters of credit, indemnifies together with all costs and expenses, including legal leas and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

# 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the uneridorozability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any includgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person.
- not taking, periecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, inducting another guarantor
- any delay or delault by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- Ine reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
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- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- The bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Actor the Companies Creditors Avrangement Actor successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duity of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

# 4. DESANTE NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, explicible or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obigations by providing us with express written notice of any such cancellation. You will however, continue to be liable under this Guarantee for any of the Obigations that the Oustomer incurs up to and including the day after we receive your notice and for Obigations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of setolf or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without noice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indebtedness at any firme held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as line case may be, if all any time any payment (in whole or in part) of any of the Obfgatons is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankrupiny or reorganization of the Customer or for any other reason not involving our willut misconduct, all as though such payment had not been made.

Dated this 26 the day of Felonlary - 2016
S&J Property Investors Inc.
BY:
Name: John Gerges
Name: John Georges
I have authority to bind the Corporation

### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (inducting under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEWNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or altempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Unlit the Colligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal lees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal lees on a solicitor and own clerit basis. 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and labilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your flability under this Guarantee.

14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, set or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not solid or assigned

#### 16, GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you interocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign his Guarantee, each person's fability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warantee, no conditions with respect to, or allecting your flability under this Guarantee other than as contained in this Guarantee No alleration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or oreation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such (urther acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

In this Guarantee "yout" your" and "yours" refer to the guarantor named below.

BY:

Name: Tille:

# CWB Maxium Financial Inc.

# Guarantee

# 1 CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

Resident Medical Group Inc.

#### 2 OBLIGATIONS GUARANTEED

In consideration of GWB Maxium Financial Inc. (referred to as "we", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Custom

finure lease payments and obligations, canditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether metured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sele contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnifies together with all costs and expenses, including legal fees and expenses

#### 3. THE NATURE OF YOUR LIABURY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations.
- the extension of time for payment to the Customer or the granking of any indulgence or concession to the Oustomer or any other person
- the taking or not taking of a suarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability uncler any other guarantee
- the reorganization of the Customer's business (whether by amalgomation, merger, transfer, sale or otherufce)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- Incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a banknuptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any dains for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### S. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations ansing out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hareunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, prowing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

Title:

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

day of adober 2019 Dated this 4231 Sheenard Avenue East Inc. BY ohn Gerges Name:

esiden+

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9 FYHALISTING BECOLIRSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full proment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMINITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us Indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantue), and (b) pay on demand the amount of such cost, loss, expense or llability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our dalm in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dàidends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, inducting legal fees, of enforcing this Guarantee including the charges and expenses of our In-house lawyers. You will pay the legal fees on a solicitor and own dient basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are rapaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assigned may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or In the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your fability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

B

In this Guarantee "your" 'your" and "yours" refer to the guarantor named below.

BY		
Name:		
Title:		

# 4231 Sheppard Avenue East Inc.

# RESOLUTION OF THE DIRECTORS AUTHORIZING A GUARANTEE OF ADVANCES BETWEEN THE CORPORATION AND CWB MAXIUM FINANCIAL INC. ("CWB Maxium")

I, <u>Han Gercles</u>, hereby certify under the corporate seal of 4231 Sheppard Avenue East Inc. (the "Company") that:

- (a) I am the duly appointed secretary of the Company,
- (b) a resolution has been passed and the company is authorized to execute a guarantee in favour of CWB Maxium whereby the Company guarantees the indebtedness and liability of Resident Medical Group Inc. to CWB Maxium;
- (c) the following is a list setting forth the names of officers and directors of the Company who are authorized to sign documents, with an example of each of their respective signatures, in particular such officers and directors are authorized to execute the Guarantee or other agreements as required between the Company and CWB Maxium.
- (d) the Company is a corporation duly incorporated and organized, validly existing and in good standing under the laws of Ontario.

Lohn Gercies	OFFICE HELD President	SIGNATURE
John Gerges	Secretary	A
John Gerges	Treusurer	Jta

DATED at TORONI Othe 21 day of October 2019

Secretary

# Desante Financial Services Inc. Guarantee

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, logether with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### Resident Medical Group Inc.

2. OBLIGATIONS GUARANTEED

In consideration of Desarte Financial Services Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligators, conditional sale instalments and obligators, and any other debus and tabilities (collectively, the "Obligators"), both direct and indirect, (whether incurred alone or jointly with others, whether absolue or contingent, whether maked or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale instalments and collegators, guarantees, leaves or ead, whether incurred tabilities, contracts, credit (addities, contracts, guarantees, leaves or ead, indemrifies (specifier with all costs and expresses, included and us in the customer under any with the Customer Vou agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any inclugence or concession to the Customer or any other person
- The taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security.
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your lability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Oustomer (if the Oustomer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the barkruptay of the Oustomer or any proceedings commerced by the Oustomer under the Barkruptay and Insolvency Actor the Companies Creditors Anangement Actor successor legislation
- our faiture to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether iductary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceesing to deal with the Customer
- any inequiarity, leaved, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Oustomer for its obligation or a defence to you under this Guarantee, all of which are bereby waived.

#### 4. DESANTE NOT LIABLE

We do not owe you any duty (as a foliciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, raising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be failed to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any readivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any tuture Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made pilor to the receipt dyour notice.

#### 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of seloif or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setolf, appropriate and apply any and all deposits and any other indecleachess at any time held by us, or owing to you, against and on account of the Colligations.

#### 7. REINSTATEMENT

Guarantee.

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescanded or must otherwise be returned or restored by us by reason of the insolvency, barkruptcy or reorganization of the Outgrand or for any other reason not involving our while information due to the payment bad not been made.

Daled Ihis 26 day of	February 2016	
IN WITNESS WHE		and the
BY:	A	
Name:	No. and Annual Contraction of the Contraction of th	

Stephen L. Cappe Carrister & Solicitor 101 - 5001 Yonge Street. 101 - 5001 Yonge Street. 101 - 5001 Yonge Street. 102 - 500 -

sound of gsicappelaw.com

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revolve and alter any such application.

### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against life Customer or any other person or under any Security interest we may from time to time hold before being entited to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Unit the Obligators have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantior, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the barkingstoy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal lees, of enforcing this Guarantee including **the charges** and expenses of our in-house lawyers. You will pay the legal lees on a solicitor and own clent basis.

# 13, ASSIGNMENT AND POSTPONEMENT OF CLARMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without rectoring your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guaraniee and we may enforce this Guaraniee for any part of the Obligations not sold or assigned

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collatent agreements, warrantee, no orditors with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No afteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in withing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of distornor, protest and all other notices whatscever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee:

#### 19. DEFINITIONS

In this Guarantee 'you'' your' and 'yours' refer to the guarantor named below.

BY: Sally Gerges

# Desante Financial Services Inc. Guarantee

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### Resident Medical Group Inc.

2. OBLIGATIONS GUARANTEED

In consideration of Desarts Financial Services Inc. (referred to as "we", "ours", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and fabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointy with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or lease) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit activities, overticats, guarantees, leaters of credit, indemnifies together with all costs and expenses, including legal leases, incurred by us in connection with its desarges with the Customer. You agree to be bound by each of the terms and conditions set out below

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affacted by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any incluigence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including enother guarantor
- any delay or delault by us in the exercise of any right or remedy against you or the Customer
- your llability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Oustomer (If the Oustomer is a corporation)
- a dissolution or change in membership of the Customer (If the Customer is a partnership)
- the bankruptoy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Amangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether liduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- The Customer's account being closed or our ceasing to deal with the Oustomer
- any inequiarity, insud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankrupicy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. DESANTE NOT LIABLE

We do not owe you any duty (as a follociary or otherwise) and you hereby waive any right to make any clearn or counterchain and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice

#### 6. NO SETOFF OR COUNTERCLAM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereander, without notice, any such notice being expressly waived by you, to setolt, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Coligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if all any time any payment (in whole or in part) of any of the Obigations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, barkruptcy or reorganization of the Oustomer or for any other reason not involving our wilkul misconduct, all as through such payment had not been made.

# Dated this 26 day of Februa cy 2016. IN WITNESS WHEREOF: BY: Name: Stephen L. Cappe

Barrister & Solicitor 1501 - 5001 Yonge Street. Toronto, Ontario M2N 6P6 Guarantes Tel: (416) 355-7205 • Fax: (416) 635-5906 e-mult: slo@sicappelaw.com

#### 6. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revolve and alter any such application

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest, we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division,

#### 10, INDEMINITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person

### 11. POSTPONED SUBROGATION

Unit the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the barkruptory of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal lees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal lees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owee to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

# 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you knewcestly submit to the exclusive jurisdiction of the courts of that province

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the kure held by us. There are no representations, collateral agreements, warantee, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee No alleration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or researce of any of the Obligations, presentment, demand, notice of dishoror, protest and all other notices whatsoever.

# **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such lurther acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

alles BY: Selvia G. Gerges

# **DEBTOR 16: SCPI**

#### ovB Maxium Financial Services Inc. CUM antee

# 1 CUSTOMER GUARANTEED

nerame of the outlomer whose obligations you are guaranteeing is:

sho, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

# OBUGATIONS GUARANTEED

nonderation of CWB Maxium Entiretation (referred to as "we", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on de are lease payments and obligations, conditional safe instalments and obligations, and any other debts and fabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with oth empent, whether matured or not matured, and whether for privilopal, interest or fees) payable to us by the Customer under any and all leave agreements, conditional sale contracts, credit facilities, overdrafts, guar annues togethe with all costs and expenses, including legal lees and expenses, includi

# 3 RENATURE OF YOUR LIABILITY

to using under the Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or make affected by any one or more of the following events:

- are onenterpeakity of the Obligations, any security, or any of our other rights against the Customer or any dhe person
- my change in this terms of amount or existence of the Colligations
- w extension of twie for payment to the Customer or the granting of any indulgence or concession to the stories of any other person
- in taking or not taking of aguarantee from any other person
- mitaking, beriecting, registering, or reninwing any secondy
- and under settlement from a granung releases or decharges to, the Customer or any other person, winding another guarantor
  - any aloy or dolauk by us in the exercise of any right or remody against you or the Customer
- your lability under any other guarantee
- the intrganization of the Customer's basiness (whether by annalgamation, merger, transfer, sale or othered)
- any Jarge in the Cristomer's francial condition
  - arry dange in control of the Customer (if the Customer is a corporation)
- و المعادية و المعادية الم participation of the Customer of any proceedings commenced by the Customer under the Bankruptcy the participation of the Companies Developer Analytics
- Insolving Act or the Compones Orations Anangement Act or successor legilation
- Our folkerto abide by agreements relating to the Obligations
- our extending duty of ours (whether fiducary or in negligence or otherwise) and whether owed to you, the
- a tar Cutstome gary one person
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- If IC-2F-The CLISTON' Cappoint being closed or our ceasing to deal with the Customer The CLISTON' Cappoint being closed or our ceasing to deal with the Customer The Contract of the Contract o

- arity are wilding but claim in a bankruptcy of the Customer or not proving our claim in full not form whosever that night be a defence available to the Customer for its obligation or a defence to any event this Customer for its obligation or a defence to any under this Customer for its obligation or a defence to any ever instruction and methods a defence available you under this Guarantee, all of which are hereby waved

A. CWB MAXIUM We want any any any (as a fiducary or otherwise) and you hereby waive any right to make any claim or We do not owned to rate any other person. We will not be the anerg from any alleged breach or a do we do not claim and to rate any other person. We will not be the A. CWB MAXIUM NOTUABLE a. We have your any (as a haveary or otherwise) and you hereby wave any right to make any claim or we do not owe to rate any right of let off, equilable or otherwise, arong from any alleged breach of a duty owed where claim and to reach or any other person. We will not be lable to you nor shall you make any duty owed counter three customers or omessins on our part or any other person. We do not and to reason right of set off, equilable or otherwise, arong from any alleged breach of a duty owed ounter claim and to reason of the pesson. We will not be lable to you not shall you make any claim for any ounter claim or the Customer or any other pesson. We will not be lable to you not shall you make any claim for any ounter claim or any breaches or omassins on our part, or any of our employees, officen, directors or assert or any undernote or any breaches or onesce of any of our actions or diversity of the state of Counter Clair Couston and other person. We will not be lable to you har shall you make any claim for any ounter Clair the Couston on any other person. We will not be lable to you har shall you make any claim for any or you, or the or any breades or onescans on our part, or any of our employees, officers, directors or agents, or any a you or any of any by using couse of any of our actions or their actions. Institution of the coust of any of our actions or their actions. C 300. So of any brease or anessins on our part, or any of our employ nest/iBence of any breast of by is, inthe course of any of our actions or their actions, nest/iBence appointed by is, inthe course of any of our actions or their actions, recovers appointed FURTHER UABILITY

PERMINATING FOUNDMENTED by any lutire Ubigators by prouding us with express written notice of any such 5. FERMINATING With remever, continue to be liable under this Guarantee for any of the Oblevation in such 1. Source of the Oblevation in the oblevation of the day after we remeve receivers affering further uability You may carry you will, namena, rorkmue to be sable under this Guarantee for any of the Obligations that the concertainties in and including the day after we receive your notice and for Obligations arising out of concertainties mounts in provide prior to the receive your notice. Current incurs up to an including the day after Customet incurs in adde price to the receipt of your notice altheoritients made price to the receipt of your notice.

altheorem 6. NO SETOFF OR COVERENS required to be made under this Guarantee without regard to any right of setoff or 6. NO Mill marking all payments required and a regard to be customer, which rights you waive. In addated of a You will marking that you have a granted under applicable low, and not be unredown that you waive Branted under applicable low, and not be B.NO SETOFF OR COUNTERLAIM 6. NO SET all payments represent to be nade under this Guarantee without regard to any right of setoff or vol will make all payments for may have against us or the Customer, which rights you wake. In addition to any counterclaim that you have or may have against us will want not by way of limitation of any such never counterclaim that you have any amounts being payable by you to us have and or hereafter any amounts being payable by you to us have and or hereafter any amounts being payable by you to us have any of limitation of any such never not never nev You will make that you have a may now against us or the Customer, which rights you wake. In addition to any conterclaim that you have a may now against us or the Customer, which rights you wake. In addition to any customer of the effort of granted under against us or the Customer, which rights you wake. In addition to any customer of the effort of granted under against us or the Customer, without notice, any such rights, we are rights now or any arrive arrive appropriate and apply any and at the submer of the you. To set all appropriate and apply any and at the countendaing thereafter granes under applicable law, and not by way of instation of any such rights, we are countendaing or hereafter granes under applicable by you to us hereander, without notice, any such rights, we are rights now or harv any any any approximate and apply any and at deposits and any other indebtedness at an authorized upon any you, to set appropriate and apply any and at deposits and any other indebtedness at any authorized work by you, to you approximate and on account of the Obligations. Construction of any arritorial long payable by you to its Hereunder, without notice, any such index being nghis noted upon arry volt, to setall, appropriate and apply any and all deposits and any other indebtedness at any authorized by you, to you against and on account of the Obligations. authorized waived by you, to assure appropriate and apply any and all dep expressly waived by you, or owing to you against and on account of the Obligations time held by us, or owing to you against and on account of the Obligations

time here and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case 7. REINSTATEMENT 7. REINSTATEMENT Biolograntice and all other terms of the whole or in part) of any of the Oklgations is rescinded or must observe This Guarantice any time any payment is whole or in part) of any of the Oklgations is rescinded or must observe the field any time any time to use by reason of the insolvency, bankruetry or insolvency of the observe of the time of the 2. REINSTATION and all other remove this agreement shall continue to be effective or shall be reinstated, as the case the Guarantice and all other resonance in while or in part) of any of the Obligations is resoluted or must otherwise be the Guarantice and the two by reason of the resolution, bankruptcy or reorganization of the Customer or temperature or restored by US by reason of the resolution and or restored by US by reason of the resolution and or restored by US but will amsconduct, all as though such names of the Customer or temperature of restored by US but will amsconduct, all as though such names of the Customer or temperature. This Guarantice any particular or whole or in part) of any of the Obligations is rescribed or must otherwise be may be, if all any time any particular wildemsconduct, all as though such payment had not been made. may be, if all any the by us by resen of the insolvency, bankruptcy or reorganization of the Cu returned or restoned by US by resen of the insolvency, bankruptcy or reorganization of the Cu returned or restoned by the our weburnsconduct, all as though such payment had not been made.

GREE NER

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Dated ins 18 day of August

IN WITNESS WHEREOF:

NIME JAAC

#### **B. APPLICATION OF MONEYS RECEIVED**

We may, without notice, apply all moneys received from you, or the Customer or any other pe any security that we may from time to time hold) to such part of the Obligations as we, in ou consider appropriate. We may also revoke and alter any such application.

# **9. EXHAUSTING RECOURSE**

We do not need to exhaust our recourse against the Customer or any other person or under a we may from time to time hold before being entitled to full payment from you under this Guara benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) ind keep us indemnified against any cost, loss, expense or liability of whatever kind the failure by the Customer to make due and punctual payment of any of the L resulting from any of the Obligations being or becoming void, voidable, uner ineffective against the Customer (including, without limitation, all legal and other c and expenses incurred by us in connection with preserving or enforcing, or at preserve or enforce, our rights under this Guarantee), and (b) pay on demand the such cost, loss, expense or liability whether or not we have attempted to enforce against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribute Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligata in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this and receive dividends in respect of that claim because you assign to us your right to prove your claim ( dvidends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the dw expenses of our in house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13, ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are n full if you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, a immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guar and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account t and you mevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee Illiat is void or unenforceable in a junisdiction is, as to that junisdiction, ineffect that extent without loval dating the remaining provisions. If two or more persons sign this Guarantee, each per liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind n in the future held by us. There are no representations, collateral agreements, warranties, or conditions with re to, or affecting your liability onder this Guarantee other than as contained in this Guarantee. No alteration or y of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by u written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, p and all other notices whatspever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all further acts, documents and things as we may reasonably request for the purpose of g effect to this Guarantee

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY

Diep Nguyen

Guarantee

# Stoney Creek Pharma Inc.

#### CWB Maxium Financial Services Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

#### Stoney Creek Pharma Inc.

2 COBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indugence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a cross-true any duty of oursy writting fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person.
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any wegularity, fraud, defect or lack of authority or formality in incurning the Obligation
- not providing our daim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. OWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiducary or otherwise) and you hereby waive any right to make any daim or counterdam and to raise any right of set off, equitable or otherwise, arising from any aleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any daim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### **7. REINSTATEMENT**

This Guarancee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency bankruptcy or reorganization of the Customer or for any other reason not involving our wild misconduct, all as though such payment had not been made.

Dated this 18 day of Augus

8Y:

Name: Guarantee RALPO MICHASE LEURIS

#### consider appropriate. We may also revoke and alter any such application. 9. EXHAUSTING RECOURSE

8. APPLICATION OF MONEYS RECEIVED

We do not need to exhaust our recourse against the Oustomer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

We may, without notice, apply all moneys received from you, or the Oustomer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion,

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount pald by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations, You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

# 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatscever.

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### **19. DEFINITIONS**

In this Guarantee "you" "your" and "yours" refer to the guarantor named below,

θγ:	toll
	John Gerges

# **DEBTOR 17: SJEPI**

# 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

#### SJ East Pharma Inc.

2. OPHIGATIONS GUARAMTEED

In consideration of OWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, including test is connection with its dealings with the Qustomer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional it will not be limited, reduced, or otherwise affected by any one or more of the following events:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or cherwe in membership of the Oustomer (if the Oustomer is a partnership)
- the backmatter of the Customer or any proceedings commenced by the Customer under the Bankmater and Insolvency Act or the Companies Creations Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its objection or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CMB MAXE MANOT UARIE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be flable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER MARALITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

# 6. NO SET OFF OR COUNTERCLARM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REPOSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, banknuptcy or reorganization of the Customer or for any other reason not involving our willy misconduct, all as though such payment had not been made.

Dated this H day of July 2013 IN WITNESS WHEREOF: BY: MRulyd Name: MARCHA RAMPERSAD

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (inducing under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and after any such application.

#### 9. FOHAL KTING REACHINGS

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division

#### 10. INDEMNSTY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11 POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

# 13. ASSIGNMENT AND POSTPONEMENT OF CLARMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

# 15. ASSIGNMENT OF OPUGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

# 17. GEVERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Quarantee, each person's tability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our witten statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

# 19. DEFINITIONS

BY:

In this Guarantee "your" and "yours" refer to the guarantor named below.

**Diep N. Nguyen** 

Guarantee

#### CW8 Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

## The name of the customer whose obligations you are guaranteeing is:

#### SJ East Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

## 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in convection withits dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Oustomer or the granting of any indulgence or concession to the Oustomer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bonkruptcy and Insolvency Act or the Companies Oreditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Oustorner
- the Oustomer's account being closed or our ceasing to deal with the Oustomer
- any inegularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our daim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Oustomer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWO MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to rake any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### S. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fiable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLASM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Outtomer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

	21 day of July 3017
8V:	Soul
Name:	JONON GERLIES
Title:	PREJIDENT

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Oustomer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EQHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Oustomer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is In addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, waranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **1B. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:

Name:

Title:

# **DEBTOR 18: ASBPI**

#### CW8 Maxium Financial Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

#### The name of the customer whose obligations you are guaranteeing is:

# (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Oustomer").

2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (coffectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, Interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, Including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptov of the Customer or any proceedings commenced by the Customer under the Bankruptov and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to ablde by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or tack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to
- you under this Guarantee, all of which are hereby walved

#### 4. OWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be lable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

## 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our willful misconduct, all as though such payment had not been made.

Dated this 11 day of April 2019 St. Mary Cooksville Pharma Inc.

BY: Name: SANDRA TOUSSEF Title: PRET

#### 8, APPLICATION OF MONEYS RECEIVED

We may, without notice; apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHALISTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest. we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEVINITY

Abu Seifein Brimley Pharma Inc.

As an original and independent obligation under this Guarantee, you shall (a) Indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or inelfective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12, COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liablity under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNENGLAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or In the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### **18, FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

in this Guarantee "you" "your" and "yours" refer to the guarantor named below.

BY:
Name;
T]tie:

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

Abu Seifein Brimley Pharma Inc.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any otherperson
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and insolvency Act or the Companies Creditors Amongement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being dosed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER HABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SET OFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you walve. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this <u>II</u> day of <u>April</u> <u>2019</u> IN WITNESS WHEREOF: BY: <u>Millerepersed</u>

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Oustomer or any other person finducing under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest. we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) Indemnify us and keep us Indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid In full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive. dividends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

#### 13 ASSIGNMENT AND POSTPONEMENT OF CLARKS

You postoone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabäties, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

## 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency of other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

## 19. DESMITIONS

BY:

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

	/	
<i>C</i> .	///	

Sandra Youssef

Guarantee

## 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer")

#### 2. OBUGATIONS GUARANTEED

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and fabilities (collectively, the "Obligations"), both direct and indirect, (whether nourred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Clistomer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemplities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

## 3 THE MATLIRE OF YOUR LIABILITY

Your Rability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Oustomer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the banknuptcy of the Customer or any proceedings commenced by the Customer under the Banknuptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in ful
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby walved

#### A CARE MANYI INA NOT HARLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or countentiairn and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER UABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoil, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

day of 4mil 2019 Dated this IN WITNESS WHEREOF:

BY:

Name:

Guarantee

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EQHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest. we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEWNITY

Abu Seifein Brimley Pharma Inc.

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Cloligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12, COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

## 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and fabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 16, GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your lability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Ohigations, presentment, demand, notice of dishonor, protest and all other notices whatsoever

#### **18. FURTHER ASSURANCES**

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

John Gerges

**DEBTOR 19: SMTPI** 

#### CWB Maxium Financial Services Inc. Guarantee

## 1. CUSTOMER GUARANTEED

## The name of the outcomer whose obligations you are guaranteeing is: St. Mary Theotokos Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### 2. OBLIGATIONS GUARANTEED

In consideration of CW8 Maxium Francial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether hoursed alone or jointly with others, whether attoute or continuing to deal with the Customer with respect to us on demand, of all present and future lease payments and obligations of the terms and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether hoursed alone or jointly with others, whether attoute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, oredit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, including legal fees and expenses, included by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR MABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforcesbility of the Obligations, any security, or any of our other rights against the Outcomer or any other person
- \* any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, indusing another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Oustomer
- your liability under any other guarantae
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- \* any change in the Customer's financial condition
- any change in control of the Oustomer (If the Customer is a corporation)
- a desolution or change in membership of the Customer (if the Customer's a partnership)
- the bankruptoy of the Customer or any proceedings committeed by the Customer under the Bonkruptoy
  and Insolvency Act or the Companies Oreditors Amongement Act or successorilegislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fidudary or in negligence or otherwise) and whether owed to you, the Custamer, or any other person
- Incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any inegularity, fraud, defect or tack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Oustomer or not proving our claim in full
- any event whatsoever that might be a defence available to the Oustomer for its obligation or a defence to you under this Guarantee, all of which are hereby walved

#### 4. CWB MAXUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to rate any right of set off, equitable or otherwise, arking from any alleged breach of a duty owed to you, or the Outomer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or ontissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be fiable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we needee your notice and for Obligations arising out of agreements made prior to the necept of your notice.

#### 6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantae without regard to any right of setoff or counterdairn that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of imitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notes being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other turns of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is resoluted or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Outsomer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

Dated this_	
BY:	The second secon
Name:	Isaac Grubner
Guarantee	

#### 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Oustomer or any other person (including uniter any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our necourse against the Customer or any other parson or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or ilability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount or such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

## 11 POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until sit the Obligations are paid In full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

#### 12 COSTS AND DIPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

## 13. ASSIGNMENT AND POSTPONEWENT OF CLAUMS

You postpone the repayment of all present and future debts and fabilities that the Customer owns to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14, CONSENT TO DISCLOSE INFORMATION

We may from time to thre give any credit or other information about you to, or receive such information from, any childt bureau, reporting agency or other person.

## 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16 GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the asclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any lind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations, shall be conclusive and binding on you. You expressly waive notice of the wateroe or creation of all or any of the Obligations, presentment, demand, notice of dishoner, protest and all other protects.

#### 18 FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEPINITIONS

BY:

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

Diep Nguyen

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#### CWII Mandum Financial Services Inc. Guarantee

#### 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is:

## St. Mary Theotokos Pharma Inc.

(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer"). 2. OBLIGATIONS GUARANTEED

In consideration of CWB Maxium Finandal Inc. (refetred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Outcomer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional rate instalments and obligations, and any other debts and liabilities (collectively, the "Deligations"), both direct and indirect, (whether incurred alone or jointly with others, whether also links with the Customer under any and all lease agreements, conditional sale contracts, credit fadilities, overfinites, leaters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

#### 3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee Is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unerforceability of the Obligations, any security, or any of our other rights against the Oustomer or any other person.
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Oustomer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Oustomer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amaigamation, merger, transfer, sale or otherwise)
- any change in the Oustomer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Arrangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Oustomer, or any other person
- incapacity, or lack of status or legal existence of the Oustomer
- the Customer's account being dosed or our ceasing to deal with the Customer
- any megularity, fraud, defect or lack of authority or formality in incurring the Obligation.
- not providing our datm in a bankruptcy of the Customer or not proving our daim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

#### 4. CWB MAXOUM NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, regultable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be lable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or liver actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 5. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtechess at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganisation of the Customer or for any other reason not involving our will misconduct, all as though such payment had not been made.

Dated this 18th day of Augustaol6 IN WITNESS WHEREOF:

BY:

Namer

Guarantee

PROCED MICHAEL LEURE

8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

#### 9. EQHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interset, we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

## 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve of enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guaranter, or any other person.

#### 11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daim for repayment or contribution from the Qustomer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Oustomer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your daim and receive dividends.

#### 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

## 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you nicelive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit burnau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

## 15. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Dustomer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, Ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this durantee, each person's liability will be joint and several. This Guarantee is in additionand without prejudice to any socurity of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarante's. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatoower.

#### 18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

#### 19. DEFINITIONS

BY:

In this Guarantee "your" "your" and "yours" refer to the guarantor named below.

John Gerges

# **DEBTOR 20: Olde Walkerville**

#### CM8 Maxium Financial Inc. Guarantee

1. CUSTOMER GUARANTEED

The name of the outcomer whose obligations you are guaranteeing is: (who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

#### Olde Walkerville Holdings Inc.

> ORIGATIONS GUARANTEED

In consideration of CWB Maxium Rhandal Inc, (referred to as "we", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Oustomer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), Both direct and indirect, (whether incurred stone or jointly with others, whether absolute or contingent, whither matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, medit facilities, overdraits, guarantees, letters of medit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and consistions set out below.

#### 3. THE NATURE OF YOUR LABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional, it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any charge in the terms or amount or existence of the Obligations
- the extension of time for payment to the Oustomer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Dustomer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other rularantee
- the reorganization of the Oustomer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Qustomer's financial consistion
- any change in control of the Customer (if the Customer's a corporation)
- a dissolution or change in membership of the Oustomer (If the Oustomer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Amongement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Oustomer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formatily in incurving the Obligation
- not providing our claim in a beniouptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby walved

#### 4. CARE MAXUMMOTURBLE

We do not owe you any duty (as a liduciary or otherwise) and you hereby waive any right to make any daim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be table to you nor shall you make any claim for any negligence or any breaches or onvisions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Of Igabons by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Okigations that the Outtomer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFF OR COUNTERCLARM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you wake. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

#### 7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case maybe, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankhuptcy or reorganization of the Customer or for any other reason not involving our wild misconduct, all as though such payment had not been made.

Dated this 18 day of October 2218 IN WITNESS WHEREOF: BY: MRaunpersen Name: MARJHA ROMPERIAD

Guarantee

Ramachandran Ramapathy

6. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Comprise or any other person (inclusing under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion. consider appropriate. We may also revolve and other any such application.

#### 9. EXHAUSTING RECOURSE

We do not need to exhaust our resource against the Customer or any other person or under any security interest we may from time to time hold before being entitled to hill payment from you under this Guarantee. You wave sit benefits of discussion and division.

#### 10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming vold, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce; our rights under this Guaranteel, and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11\_POSTFONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Oblgations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount pald by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive avidends.

#### 12. COSTS AND EXPENSES

You agree to pay all costs and expenses, inducing legal fees, of enforcing this Guarantee inducing the charges and expenses of our in-house lawyers. You will pay the legal (ees on a solicitor and own clent basis,

#### 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and labilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you reserve any moreave in payment of any of such debts and fabilities, you will hold them in trust for, and will immediately pay them to, is without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVERNING LAW

This Guerantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

## 17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be Joint and several. This Guarantee is in addition and without prejucice to any security of any find now or in the future held by us. There are no representations, collisteral agreements, warranties, or conditions with respect to, or affecting your fability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obleations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

#### 18. FURTHER ASSUMANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee,

#### 19. DEFINITIONS

BY:

In this Guarantee "you" "your" and "yours" refer to the guaranter named below.

#### CWB Madum Financial Inc. Guarantee

#### GUERAND

## 1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: (who, together with the Customer's successors, helps and assigns, shall be referred to herein as the "Customer").

Olde Walkerville Holdings Inc.

2. ORLIGATIONS GUARANTERO

In consideration of CWB Maxium Financial Inc. (referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and fiabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses and legal fees and legal fees and expenses and legal fees and expenses and expenses and expenses and e

#### 3. THE NATURE OF YOUR LABILITY

Your flability under this Guarantee is CONTINUING, absolute and Unconditional, it will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the interforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or pristence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person.
- not taking, perfecting, registering, or renewing any security
- accepting settlen with from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee.
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Oustomer (If the Oustomer Is a corporation)
- a dissolution or change in membership of the Oustomer (if the Oustomer is a partnership)
- the bankruptcy of the Oustorner or any proceedings commenced by the Customer under the Bankruptcy and Insolvency Act or the Companies Creditors Attangement Act or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breech of any duty of ours (whether ficuation or in negligence or otherwise) and whether owed to you, the Customer, or any other cerson
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being dosed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event what one will be a defence available to the Customer for its obligation or a defence to you
  under this Guarantee, all of which are hereby waived

#### 4. CWB MAXIUM NOT LLABLE

We do not owe you any duty (as a fidudary or otherwise) and you hereby waive any right to make any claim or counterclaim and to mise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owest to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any regigence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us in the course of any of our actions or their actions.

#### 5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obigations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Quatometineurs up to and including the day after we receive your notice and for Obligations at sing out of agreements made prior to the receipt of your notice.

#### 6. NO SETOFFOR COUNTER DAM

You will make all payments required to be made under this Guarantee without regard to any right of satoff or countenciaim that you have or may have against us or the Customer, which rights you wave. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waited by you, to set off, appropriate and apply any and all defosits and any other indebtedness at any time heldby us, or owing to you, against and on account of the Dollgations.

#### 7. REPUSTATEMENT

This Guarantee and all other terms of this agreenvent shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Oblgations is rescrided or must oblewise be returned or restored by us by reason of the incolvery, barleruptcy or reorganization of the Oustomer or for any other reason not involving our within indisconduct, all as though such payment had not been made.

Dated this <u>IS</u> day of <u>October 2018</u> IN WITNESS WHEREOF: BY: MARLEMPTICAL

Name:

# 8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Outlomer or any all or person (indusing under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

## 9. DOHAUSTING RECOURSE

We do not need to exhaust our recourse against the Oustamer'or any other person or under any security intercorve may from time to time hold before being entitled to hill payment from you under this Guarantee. You wave all benefits of discussion and division.

#### 10, INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or ligbility of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voldable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the emount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

#### 11 POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any daims for repayment or contribution from the Customer or any guaranter, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our daim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

## 12 COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of entending this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

## 13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full, if you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

#### 14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other period.

#### 15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignce may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

#### 16. GOVENNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you inevocably submit to the exclusive jurisdiction of the courts of that province.

#### 17. GENERAL

Any provision of this Guarantee that is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's lability will be joint and several. This Guarantee is in addition and without prejudice to any security of anylind now or in the future held by us. There are no representations, collateral agreements, warrantee, no excitions with respect to, or affecting your fability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our writtenstatement of the amount of the Okligations shall be conclusive and binding on you. You expressly waive notice, of the existence or creation of all or any of the Obligations, presentment, damand, notice of rishonor, protest and all other notices whatsoever.

#### 15. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guagantee.

#### 19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

Chin-To Yuen

Guarantee

unin-lo tuen

# Tab C

This is **Exhibit "C"** referred to in the Affidavit of TED (EDWARD) HOPKINSON and SWORN BEFORE ME via video-conference with the deponent in the City of Bryn Mawr, in the State of Pennsylvania, United States of America, and the Commissioner in the City of Toronto, Ontario this 30th day of October, 2020

A Commissioner for Taking Affidavits

Tamie Dolny

**DEBTOR 1: 4321** 

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$260,450.00 PRINCIPAL CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

Cober 21,2019

## **1. PROMISE TO PAY AND INTEREST**

For value received, 4231 Sheppard Avenue East Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 4231 Sheppard Avenue East, Unit C1, Toronto, ON M15 5H5 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Two Hundred Sixty Thousand Four Hundred Fifty Dollars and Zero Cents (\$260,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.85% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of December 2019 and up to and including the 1<sup>st</sup> day of November 2024 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	December 1, 2019	November 1, 2024	\$2,877.01
1	November 1, 2024	November 1, 2024	\$149,353.49

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## **6. OTHER INFORMATION**

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant solent rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of nqn-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

4231 Sheppard Avenue East Inc.
BY:
Name: ) Shn Grerges Title: President
BY:

Name	8
Title:	

# **General Security Agreement**

Customer: 4231 Sheppard Avenue East Inc.

Date:

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www.cwbmaxium.com
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30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work In process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods,

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

**UFE INSURANCE** - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

## 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will;

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are a pharmacy, provide to us RX reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (c) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

## **13. POSITIVE COVENANTS**

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different jurisdiction; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person llable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fall to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompatent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (I) if you are an Individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust Interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and

we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d)foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life (e) Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h)take any other action deemed necessary to carry Into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default Is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security Interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law,

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

# 4231 Sheppard Avenue Hast Inc. 8Y: Name: Title:

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be,

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## 28. ENTRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

Name:	
Title:	

#### Address: 4231 Sheppard Avenue East, Unit C1 Toronto, ON M1S 5H5

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

4231 Sheppard Avenue East, Unit C1 Toronto, ON M1S SH5

# **General Security Agreement**

Customer: John Gerges

Date:

Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

30 Vogell Road, Suite 1

Volober 21

## **SECURITY INTEREST**

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES – all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

## to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an Issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that Indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

## 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

## 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

## 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

ren. ve the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. UMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

## You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## **14. NEGATIVE COVENANTS**

## You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone eke, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

## 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- {iii demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or ornission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law,

## 20. PAYENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

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WITNESS

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTMER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

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	~
John Gerges	

Address: 676 Sheppard Avenue East, Suite 703, Toronto, ON M2K 3E7

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

# 4231 Sheppard Avenue East , Unit C1, Toronto, ON M1S 5H5

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# **General Security Agreement**

Customer: Resident Medical Group Inc.

Date:

Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

30 Vogell Road, Suite 1

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## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

**DEPOSITS AND CREDIT BALANCES** - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future Investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

**UFE INSURANCE** - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities Intermediary that it will comply with instructions in the case of an Issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

## You hereby represent and warrant to us that;

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable faw or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will;

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

## You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different jurisdiction; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security Interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

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we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

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We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

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in this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## **28.** ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Resident	Medical Group Inc.		
BY:	Saturdayt	BY:	
Name:	Sally Gerges	Name:	
Title:	President-	Title:	
Address:	14774 Woodbine Avenue, Gormley, ON LOH 1G0		

## SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

4231 Sheppard Avenue East, Unit C1 Toronto, ON M1S 5H5

**DEBTOR 2: BJPI** 

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$750,450.00 PRINCIPAL

mucipal

Maxium Financial Services Inc. Suite #1 - 30 Vogell Road Richmond Hill, Ontario L4B 3K6

Murch 15, 2015 DATE

## 1. PROMISE TO PAY AND INTEREST

For value received, Bless Jimmy's Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 255 Broadview Ave., Toronto, ON M4M 2G6 promises to pay to Maxium Financial Services Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Seven Hundred Fifty Thousand Four Hundred Fifty Dollars and Zero Cents (\$750,450,00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 6.00% per annum ("interest Rate") as well after as before maturity and both before and after default or judgement ("Interest") and Interest on overdue Interest at 18% per annum (provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue interest shall be the maximum rate permitted by law).

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of April 2015 and up to and including the 15<sup>th</sup> day of March 2020 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (Inclusive)	Date To (inclusive)	Amount of Each Instalment
60	April 15, 2015	March 15, 2020	\$8,334.27
1	March 15, 2020	March 15, 2020	\$431,095.12

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your abligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legistation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

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For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to a served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8, LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. Clest votre désire and le notre que le présent Contrat et tous documents s'y rapportant solent rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

**Bless** Jimmy BY: Name: Tille:

BY: Genel Gerra Secratory Name: Tille:

# Maxium Financial Services Inc.

# General Security Agreement

Customer: Bless Jimmy's Pharma Inc.

Date:

Morch 15, 2015

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to pospone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired alter the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEONESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, woept for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be turnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and elfiliates, up to the amount set out on Schedule A (or ell deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you intrust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary.

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is harein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to parmit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to entorce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to detend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our tight to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

## 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypotheo, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent

## 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theil or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, inducting any file insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

## 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our pilor written consent. If no location is set out on Schedula A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

## You hereby represent and warrant to us that:

- (a) II applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) Ihis Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceablifity may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (i) the representations and warrantiles set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- (c) advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

## You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such securily as we may require:
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hareof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or sultar to exist, any mortgage, dead of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or lile under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such linancing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or banknupt or make an assignment for the benefit of creditors or consent to the appointment of a fustee or receiver, or a fustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to include us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) cutside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial Information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) setze and possess the Collateral;
- (b) carry on your business;
- (c) sel, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (I) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

#### $\langle 0 \rangle$ make any anangement or compromise in our interest, or

take any other action deemed necessary to cany into effect the provisions of (h)this Agreement,

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or neolinence on the part of the Receiver. If the proceeds of the realization of the Collateral are Insufficient to repay us the Obligations in full, then you forthwith shall pay us such delictency. The rights and powers in this paragraph are supplemental to and not in subsitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You irrevocably appoint us your altomey, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US.

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shell not be deemed to be a walver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from pertecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see it without prejudice to your liability or to our rights under this Agreement or at law,

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You adviowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

Bless Jin	my's Pharmatic.	
BY:	769	
Name:	JEAN Garren	
Tille:	Preocheck	



document we realister or that we may receive by way of confirmation of a security realistration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

# 26. NOTICES

Any notice regulted to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to Ilme, and Il so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTIRE AGREEMENT**

You advnowledge that this is the entire agreement between you and us and there are no other written or oral representations or warrantiles, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done. execuled, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

BY:

Name<sup>\*</sup> Title:

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

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# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G8

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# Maxium Financial Services Inc.

**General Security Agreement** 

Customer: John Gerges

Date:

Murch 15,2011

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assignment of us, together with the Proceeds (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are hereby assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are hereby assets and Undertakings over which you agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presentity existing Colleteral, the such security interest shall attach to any Colleteral ecquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and alter acquired personal property and undertakings including without fimilation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangole and intellectual property, and all real and immovable property both fireshold and leasehold, except for the last day of the term of any lease.

#### INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

## DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of

or may herearter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the file insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, montgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in test for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

## to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. 4. **PROCEEDS** 

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called 'Proceeds'). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income irrom or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a constituant, receiver, receiver and manager or egent, and to pay interest thereon. You also agree to pay all legal costs and fees (Inducting in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, morigage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold In the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are oustomarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Collations.

## 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### **10. LIMITATION ON OBLIGATIONS OF MAXIUM**

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Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral In our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral In the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the taws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (I) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material liligation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all laxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of Irust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of crecitors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptoy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or apples to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, morigage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any ten granted by you in our favour,
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to dearn ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

#### make any arrangement or compromise in our interest, or $(\alpha)$

#### (h) take any other action deemed necessary to cany into effect the provisions of this Acreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or neoligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You inevocably appoint us your allomey, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the cocumence of an Event of Default may only be waived by us in willing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any feiture by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or emission on our part or on your part shall give rise to any expectation by you that we will not insist on shict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or mostify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your fability or to our rights under this Agreement or at law,

#### 20. PAY ENCUMERANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together wilh costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAVER

You advowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

WITNESS

Address: 14774 Woodbine Ave., Gormley

document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement wilhout your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such luther address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

It you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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



## SCHEDULE A

### DEPOSITS AND CREDIT BALANCES

Unlimited

762

### INVESTMENT PROPERTY

N/A

### LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G6

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## Maxium Financial Services Inc.

#### **General Security Agreement** Gamal F. Gerges Customer:

Date:

www.maxium.net March 15, 2013

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collactively called the "Collateral". You agree that we have not agreed to postpone the time for attackment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### DEFINITIONS OF COLLATERAL 1.

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventiony, Equipment, Deposits and Orecit Balances, Investment Property, Lie Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be jumished or have been jumished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - al monies and credit balances which are now or may herealter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without finitiation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS 2.

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### INVESTMENT PROPERTY 3.

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. PROCEEDS 4.

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnilles or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in sust for LIS.

#### INCOME AND INTEREST ON INVESTMENT PROPERTY 5.

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the **Obligations.** 

#### COSTS AND EXPENSES 6.

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and lees (including in-house legal lees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or dam including any proprietary or frust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### INSURANCE 8

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarity insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance polloy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### LOCATION OF COLLATERAL

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

11. REPRESENTATIONS AND WARRANTIES

- You hereby represent and warrant to us that:
- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary ticenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) If you are a comporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree lo:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

### Security Agreement

- (e) provide such security as we may require;
- continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other tille retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an Event of Default'):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankrupicy, reorganization or insolvency proceedings shall be instituted by or against you;
- eny statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, ct, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour,
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obsgations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) cany on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

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- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deliciency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by its in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or emission on our part or on your part shall give **fise** to any expectation **by you** that we will not insist **on** strict compliance with the terms of **this** Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your flability or to our rights under this Agreement or at law.

### 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

WITNESS

Address: 14774 Woodbine Ave., Gormley L0H 1G0

document we register or that we may receive by way of continuation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwitistanding any change in the composition of or membership of any tirm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You advowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30. FURTHER ASSURANCES**

You shall all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Omtario.

Gamal F. Gerges

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### SCHEDULE A

### DEPOSITS AND CREDIT BALANCES

Unlimited

### INVESTMENT PROPERTY

N/A

### LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

## 255 Broadview Ave.; Toronto, ON M4M 2G6

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# **General Security Agreement**

Customer: Selvla Gerges

Date:

Murch 15, 2015

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain tights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and luture obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal less and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without finitation, Inventory, Equipment, Deposits and Oracift Balances, Investment Property, Life Insurance (all as defined herein), all Intangible and Intellectual property, and all real and immovable property both freshold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

# EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods,

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in timited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without initiation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereot, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to proxy or proxies intermediary perform such other acts, and to cause any issuer or securities intermediary

### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontarlo), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertaildings or Accounts or that indemnifies or compensates for Assets and Undertailings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and less (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypotheo, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust briterest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventiony sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any prentium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### . LOCATION OF COLLATERAL

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remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your stanature to this Agreement.

### **10. LIMITATION ON OBLIGATIONS OF MAXIUM**

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

### You hereby represent and warrant to us that:

- If applicable, you are a corporation duly existing, or a pannership duly established, under the jaws of the jurisdiction of your (a)incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so:
- you have the capacity, power and authority and the legal right to (b) execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, comorate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- this Agreement constitutes a legal, valid and binding obligation of (c) yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity:
- except for consents which have been obtained and are in full force (d) and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations heraunder:
- the execution and delivery by you of this Agreement and the {e) performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- the representations and warrantles set out in clauses (a) through (f) (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without lime limit.

### 12. REPORTING

You will:

- if you are a corporation, a partnership or a sole proprietorship, (a) provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- if you are an individual, provide to us your personal net worth (b) statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence (ç) of such event:
- inform us of any actual or probable material litigation and provide (d) us with copies of all relevant documents upon request; and
- provide us with such other information and financial data as we (e) may request from time to time.

#### **13. POSITIVE COVENANTS**

#### You agree lo:

- make all payments when due or demanded to us (without any (a) condition, deduction, sel-off or holdback) at our address noted above (or any other address that we advise);
- if applicable, maintain your existence as a corporation, partnership, (b) or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your (c) property and assets:
- maintain, protect and preserve the Collateral in good repair and (d) working condition;
- Security Agreement

- (e) provide such security as we may require;
- 的 continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- notify us in writing at least 20 days prior to any change of your name; (h) and
- notify us in writing promptly of any significant loss of or damage to the (1) Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the 'PPSA') or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital (b) sinuclure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted (c) under this Agreement or change the location(s) of the Collateral without our prior written consent.

### 15. DEFAULT

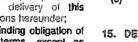
You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement (a)relating to the Obligations or any part thereof;
- (D) you or any other person liable for the Obligations is In default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you tell to perform any of the terms or conditions of this Agreement or any other (c)agreement between you and us;
- ίđì you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against (e) YOUC
- (í) any statement made by you to induce us to extend credit to you was take in any material respect when made, or becomes false;
- (Q) anyone takes possession of or applies to any court for possession of the Collateral. or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mongage or otherwise create or permit the continued 0 existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by 0 guaranteeing the obligations of others) outside of the ordinary course of business;
- you tail to deliver to us on a timely basis the financial information required by any (k) acreement between us; or
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- (a) seize and possess the Collateral;
- **(b)** carry on your business;
- (C) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life (e) Insurance:
- demand, sue for and receive Accounts, give effectual receipts and discharges for the (1) Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;



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#### take any other action dearned necessary to carry into effect the provisions of (ini) this Acreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

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You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 16. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any walver by us does not mean that any subsequent breach or Event of Default is also walved. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or amission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

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We may take and give up any of the Collateral or modily or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see it without prejudice to your flability or to our rights under this Agreement or at law,

### 20. PAV ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or after any such appropriation.

### 22. DEFINITIONS

In this agreement 'your,' your and 'yours' refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

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WITNESS

Address: 14774 Woodbine Ave., Gormley

document we register or that we may receive by way of continnation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the banefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto, 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and it so given the notice shall he deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You advoowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

\* , /

## INVESTMENT PROPERTY

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G6

# Maxium Financial Services Inc.

## **General Security Agreement**

Customer: Jimmy's Group Investors Inc.

Date:

Merch 15, 2015

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collecteral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collecteral, that such security interest shall attach to any Collecteral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Oreaft Balances, Investment Property, Life Insurance (all as defined herein), all intargible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other linan Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and alfitates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due

### or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities; shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptily to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities Intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2005 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. **4. PROCEEDS** 

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnities or compensates for Assets and Undertakings destroyed or demaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such Income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be comminged with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest remaining after payment in full of the Obligations.

### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and menager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to detend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, moltgage, lien, charge, security interest or any other interest or claim inducting any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theil or damage as are customarity insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any prentum due on any insurance policy, inducting any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

### 9. LOCATION OF COLLATERAL

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### **10. LIMITATION ON OBLIGATIONS OF MAXIUM**

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the taws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material liligation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral In good repair and working condition;

- (e) provide such security as we may require;
- continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (9) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional safe, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under, this Agreement or change the location(s) of the Collateral without our prior written consent.
- 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the banefit of creations or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any meterial respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obsgations of others) outside of the ordinary course of business;
- (k) you tail to deliver to us on a timely basis the financial Information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life insurance, exercise any options available to you under the Life insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

#### (Q) make any arrangement or compromise in our interest, or

take any other action deemed necessary to carry into effect the provisions of (h) this Apreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and eppointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in willing. Any waiver by us does not mean their any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perioding or laking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see it, and to revoke or alter any such appropriation,

### 22. DEFINITIONS

in this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

### Jimmy's Group layestors inc.

BY: Name: bra Title:

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Address: 255 Broadview Ave. Toronto, ON M4M 2G6

document we register or that we may receive by way of continnation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be bliding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto. 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of selzure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Omario.

BY:

Name: Title:

## SCHEDULE A

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## DEPOSITS AND CREDIT BALANCES

Unlimited

## INVESTMENT PROPERTY

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G8

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## Maxium Financial Services Inc.

# **General Security Agreement**

Bless Pharma Inc. Customer:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

March 15,2065

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attechment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereol as soon as you obtain rights in such Collateral and that value has been siven.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security Interest granted hereby (collectively, the "Obligations") include, without fimitation, all your present and future obligations, Indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and alter acquired personal properly and undertakings including without brittation, inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intengible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and alter acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all montes and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securilies, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereirom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS 2

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due. owing or accruing to you, logether with all rights, benefits, security Interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### **INVESTMENT PROPERTY**

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that It will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. 4.

### PROCEEDS

Date:

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in fust for US.

#### INCOME AND INTEREST ON INVESTMENT PROPERTY 5.

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you In trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### COSTS AND EXPENSES 6.

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also acree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to detend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### FREE AND CLEAR 7.

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothes, montgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventiony sold in the normal course of business and obsolete equipment) without our prior หล่มอก อ่ากรอบ

#### INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### LOCATION OF COLLATERAL 9

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) Inis Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equily;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) The representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) il you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

#### You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

### You will not:

- (a) create, Incur, assume, or suffer to exist, any montgage, deed of Irust, pledge, lien, security Interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other ille retention agreement, or linance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party Interest in the Collaterat;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an 'Event of Default'):

- you or any other person fiable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or Insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was take in any material respect when made, or becomes false;
- anyone takes possession of or applies to any count for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a count, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- any other event occurs which causes us in good faith, to deem curselves insecure, or to believe that the Collisteral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Cotateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sel, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

- (g) make any anangement or compromise in our interest, or
- (h) take any other action deemed necessary to cany into effect the provisions of tiris Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such delictency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remailes under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name. 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejuctice to your liability or to our rights under this Agreement or at law.

### 20. PAY ENCLMBRANCES

We or the Receiver may pay any encumbrance that may exist or be intreatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

### 22 DEFINITIONS

In this agreement 'you', 'your' and 'yours' refer to the Customer named above. "We', "our", "ours", and "us" refer to Maxium Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or vold, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

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<b>Bless Pha</b>	rma Ine.	
BY:	Allan	
Name:	John Verset	
Title:	President 4	



document we register or that we may receive by way of continuation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwittstanding any change in the composition of or membership of any tirm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and it so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

This Agreement shell be governed by and construed in accordance with the laws of the Province of Ontario.

BY:

Name: Title:

### SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

### **INVESTMENT PROPERTY**

N/A

### LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G8 721 Gerrard Street E. Toronto , ON **DEBTOR 3: BPI** 

### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$518,331.96

PRINCIPAL

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6 JUN 0 3 2019 DATE

### 1. PROMISE TO PAY AND INTEREST

For value received, Bless Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 721 Gerrard St. E., Toronto, ON M4M 1Y5 promises to pay to 1951584 Ontario Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Five Hundred Eighteen Thousand Three Hundred Thirty One Dollars and Ninety Six Cents (\$518,331.96) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of June 2019 and up to and including the 15<sup>th</sup> day of May 2024 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	June 15, 2019	May 15, 2024	\$7,474.30
1	May 15, 2024	May 15, 2024	\$169,070.88

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

### 3. ACCELERATION

in the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is µuaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest

### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

### 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "**Relevant Period**"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

### 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Bless Pharma Inc.		
Alt		
BY:		
Name: John Gerges		
Title: OWX		

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### **General Security Agreement**

Customer: Bless Pharma Inc.

30 March Road, Suite 1 Richmond Hill, Ontario L48 3K5 www.maxium.net

Date:

JUN 0 3 2019

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are hereir collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBFEDNESS AND LIABILITY SECURED.

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and lability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) include by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation. Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to your connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral: provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you wave all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other dimements and to perform such other acts, and to cause any issuer or securities antermediary. to execute such other documents and to perform such other acts as may be necessary of appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, ar agreement by any issuer or securities intermediary that it will comply with instructions is the case of an issuer or entitlement orders in the case of a securities intermediary originated by us, whether before or after the occurrence of any continuing Event o Default, without further consent from you

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from an use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively calle-"Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we rereive any such income or interest prior to the occurrence of any continuing Event o Default, we agree to pay you such income or interest promptly. After the occurrence o any continuing Event of Default, you will not demand or receive any income from o interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, sha not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business dar following the day of its receipt. We may apply the net cash receipts from such income o interest to payment of any of the Obligations, provided that we account for and pay ove to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND DIPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement c notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receive receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defen any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or ou right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clier basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothe mortgage, lien, charge, security interest or any other interest or claim including any proprietary or tru interest or encumbrance claimed by any third party. You hereby covenant and agree to keep th Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of this parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwis dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolel equipment) without our prior written consent

### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customari insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the insurance policy. The insurance policy will name us as first loss payee and additional insure. We may, in our absolute discretion, pay any premium due on any insurance policy, including any fir insurance policy forming part of the Collateral, and the amount of any premium we pay will be added 1 and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we not any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11 REPRESENTATIONS AND WARRANTIES

### rou hereby represent and warrant to us that

- (a) if applicable you are a corporation duly existing, or a partnership duly established, under the laws of the particition of your uncorporation of establishment, have all necessary power and authority to own your property and assets, to carry on your business, as currently carried on by you and hold all necessary licenses, permits and consents as are required to to own your property and assets and so to carry on business in each gurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereinider.
- (c) this Agreement constitutes a legal, valid and binding obligation of yours inforceable in accordance with its terms, except as enforceability may be innited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations bereunder;
- (a) the execution and delivery by you of this Agreement and the performance of your obligations hereinder will not violate any applicable law or contractual obligation applicable to you; and
- (i) the representations and womanties set out in clauses (a) through (e) above or many certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

#### Yau will.

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us an ountant-prepared financial statements within 120 days of each of your facat year ends.
- (b) provide us with RX Reports within 120 days of each of your fiscal year ends.
- if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (c) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other an aligements in full force and effect;
- (c) pay all taxes which may result in a lien or charge on any of your property and assets.
- Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and workin condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carrier on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to you premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge lien, security interest, assignment, charge, or encumbrance (including withou limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file unde the Personal Property Security Act (Ontario) (the "PPSA") or similar registrisystem of any jurisdiction a financing statement which names you as a debtor or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure withou our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitter under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capita stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, writhout limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person,

including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) serve and possess the Collaterial,
- (b) carey on your business.
- (c) self, lease or otherwise dispose of the Collateral;
- (d) to reclose on the Collateral:
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any anangement or compromise in our interest, or
- Hit take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver it the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then your forthwith shall pay its such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, arour option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on struct compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability on to our rights under this Agreement or at law.

### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

### 22. DEFINITIONS

in this agreement "you", "your" and "yours" refer to the Customer named above, "We", "orin", "ours" and "us" refer to 1951584 Ontario inc.

721 Gerrard Street, East, Toronto, ON M4M 1Y5

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of the Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive copy of any financing statement, verification statement, or similar document we register or that we ma receive by way of confirmation of a security registration in respect of this Agreement or any agreemen amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assign and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prio written consent. We may assign our rights under this Agreement without your consen and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you o us or may be sent by prepard registered mail addressed to our address shown above o your address shown below, or such further address as we or you may notify to the othe in writing from time to time, and if so given the notice shall be deemed to have beer given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written o oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of the Agreement.

### 31. GOVERMING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province  $\sigma$  . Ontario,

 Bless Pharma Inc.
 BY:

 BY:
 BY:

 Name:
 John Gerges

 Title:
 President

 Title:
 Title.

Address

## DEPOSITS AND CREDIT BALANCES

Unlimited

### **INVESTMENT PROPERTY**

N/A

### LIFE INSURANCE POLICIES

N/A

### LOCATIONS OF COLLATERAL

721 Gerrard Street, East, Toronto, ON M4M 1Y5

S&J Property Investors Inc.

### General Security Agreement

Customer:

30 ' | Road, Suite 1 Richmond Hill, Ontario L48 3K6 www.maxium.net

Date:

JUN 0 3 2019

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Account (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are here collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that su security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and futuubligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legfees and expenses) included by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

 $\ensuremath{\mathsf{EQUIPMENT}}$  - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURAINCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to hansfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral: provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary. to execute such other documents and to perform such other acts as may be necessary appropriate in order to give us "control" of such Investment Property, as defined in ti Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as v shall designate in our sole judgment and discretion, including, without limitation, a agreement by any issuer or securities intermediary that it will comply with instructions the case of an issuer or entitlement orders in the case of a securities intermediar originated by us, whether before or after the occurrence of any continuing Event Default, without further consent from you.

### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from a use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates t Assets and Undertakings destroyed or damaged (all of which property is herein collectively call "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if v receive any such income or interest prior to the occurrence of any continuing Event Default, we agree to pay you such income or interest promptly. After the occurrence any continuing Event of Default, you will not demand or receive any income from interest on such Collateral, and if you receive any such income or interest, such incom or interest shall be held by you in trust for us in the same medium in which received, sh, not be comminged with any of your other assets and shall be delivered to us in the for received, properly endorsed to permit collection, not later than the next business *d*; following the day of its receipt. We may apply the net cash receipts from such income interest to your any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND DOPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiv receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fe (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defer any legal dairn or counterclaim by you or others respecting the manner of our enforcement of, or cright to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clie basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypoth mortgage, lien, charge, security interest or any other interest or claim induding any proprietary or the interest or encumbrance claimed by any third party. You hereby covenant and agree to keep t Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of the parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwick dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsole equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customar insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the insurance policy. The insurance policy will name us as first loss payee and additional insure. We may, in our absolute discretion, pay any premium due on any insurance policy, including any I insurance policy forming part of the Collateral, and the amount of any premium we pay will be added and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a parthership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- provide us with RX Reports within 120 days of each of your fiscal year ends;
- (d) advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other agragements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- prior written consent;
  - (d) make any investment in or acquisition of, or provide any guarantee or oth financial assistance to, any other business entity or person without our priwritten consent; or
    - (e) make any payments or distributions including but not limited to dividenc redemption or retraction payments or any other amounts in respect to any your common shares, preferred shares or any other outstanding capit stock if there is an outstanding default or Event of Default, or any supayment causes a default or an Event of Default.

#### 15. DEFAULT

(h)

(i)

(a)

(b)

(c)

You will not:

Collateral.

14. NEGATIVE COVENANTS

You shall be in default under this Agreement upon the happening of any of the following events (each, "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relati to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreeme between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors consent to the appointment of a trustee or receiver, or a trustee or receiver shall I appointed for you or for a substantial part of your property without your consent;
- (e) hankruptcy, reorganization or insolvency proceedings shall be instituted by or against you:
- any statement made by you to induce us to extend credit to you was false in any mater respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyon claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governit body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest encumbrance claimed by any third party with respect to any of the Collateral, except for an lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, i guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreeme between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in ieopardy.

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Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations full, whether matured or not, and we may enforce this Agreement by any method permitted by law, an we may exercise any rights and remedies under applicable law, and we may appoint any perso

- (d) maintain, protect and pressurve the Collateral in good repair and worki condition;
- (e) provide such security as we may require: -
- (f) continue to carry on, and maintain in good standing, the business being carrion by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to yc premises, business, financial and computer records and allow the duplicati or extraction of pertinent information therefrom;

notify us in writing at least 20 days prior to any change of your name; and

notify us in writing promptly of any significant loss of or damage to t

create, incur, assume, or suffer to exist, any mortgage, deed of trust, plede

lien, security interest, assignment, charge, or encumbrance (including withc-

limitation, any conditional sale, or other title retention agreement, or finan-

lease) of any nature, upon or with respect to the Collateral, or sign or file und

the Personal Property Security Act (Ontario) (the "PPSA") or similar regist

system of any jurisdiction a financing statement which names you as a debti-

or sign any security agreement authorizing any secured party thereunder to f

if you are a corporation, a partnership or a sole proprietorship, as the case mil

be, permit any change of ownership or change your capital structure witho

transfer your interest in any part of the Collateral not expressly permitte

under this Agreement or change the location(s) of the Collateral without o

our prior written consent, such consent not to be unreasonably withheld; or

such financing statement creating a security interest in the Collateral;

including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the collateral:
- (b) carry on your business:
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any an angement or compromise in our interest, or
- (b) take any other action deemed necessary to carry into effect the provisions of this Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver if the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you for thwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You in evocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

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In this agreement "you", "your" and "yours" refer to the Customer named above "We", "our", "ours", and "us" refer to 1951584 Ontario Inc

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of Obligations If any part of this Agreement is invalid or void, the remaining terms and provisions of t Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receiv copy of any financing statement, verification statement, or similar document we register or that we receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assig and shall enure to our benefit and to the benefit of our successors and assigns; provid that you shall not assign any of your rights or obligations hereunder without our pr written consent. We may assign our rights under this Agreement without your conse and without providing you notice of such assignment. This Agreement shall continue in full fo and effect notwithstanding any change in the composition of or membership of any firm or corporati which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you us or may be sent by prepaid registered mail addressed to our address shown above your address shown below, or such further address as we or you may notify to the oth in writing from time to time, and if so given the notice shall be deemed to have be given on the day of delivery or the day when it is deemed or otherwise considered have been received for the purposes of the PPSA, as the case may be

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe a perform the terms and conditions hereof, then we shall, at your request and expent release and discharge the security interest created by this Agreement and execute a deliver to you such deeds and other instruments as shall be required to effect any su release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale sh operate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be dor executed, acknowledged or delivered every such further act, deed, conveyanc instrument, transfer, assignment, security agreement and assurance as we m reasonably require in order to give effect to the provisions and purposes of tl Agreement.

### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province Ontario

	Λ
S&J Property Investors Inc.	and the second design of the s
BY:	BY:
Name: Marner FArid Gerges	Name: John Cerelo
Title: President	Title: Or w
<i>y</i>	

## Address 721 Gerrard Street, East, Toronto, ON M4M 1Y5

# CERTIFIED TRUE COPY

## SCHEDULE A

.

### DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

### LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

721 Gerrard Street, East, Toronto, ON M4M 1Y5

## **General Security Agreement**

Customer: John Gerges

www.Desante.net Date:

JUN 0 3 2019

Richmond Hill, Ontario, t48 3N6

30 V 🔄 1 Road, Suite 1

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below) The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and hability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal rees and expenses) incurred by us in connection with our dealings with you

#### 4. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS all of your present and after accounted personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, investment Property. Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of 3032-06-946

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or constimed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may nereafter be on deposit with or standing to your credit with us, and/or with any of our subsidianes and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation. of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A. and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2 ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of nction, deeds, books and records and riocuments now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral-provided that until the occurrence of any continuing Event of Detault we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such collateral, provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices. statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to your or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, adefined in the Securities Transfer Act. 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, withou imutation, an agreement by any issued or securities interinediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates fo Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"), Proceeds shall be received and held by you in thist for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event o Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement of notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or ou right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clien basis.

#### FREE AND CLEAR 7.

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trus interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thin parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsoletic equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with . copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, inducting any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### LOCATION OF COLLATERAL

remove the Collateral from this location (except to the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF 1951584 ON TARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise

### 11 REPRESENTATIONS AND WARRANTIES

### I'm, hereby represent and warrant to us that

- (a) If applicable you are a corporation duty existing, or a partnership duty established, under the laws of the jurisiliction of you incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each purchance you which you do so.
- (b) Son have the selectly power and authority and the legal right to execute and deliver to perform your obligations under, this Agreement and have taken all necessary action, corporate or otherwise. To authorize the execution and delivery of this Agreement and the performance of your obligations hereinder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder.
- ver the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (a) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf shall survive the execution and delivery of this Agreement and shall continue a full force and effect without time limit.

### 12. REPORTING

rou will

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event.
- (d) inform us of any actual or probable material litigation and provide us with comes of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable maintain your existence as a corporation, partnership, or one proprietorship as the case may be, and keep all material agreements rights, franchises, licences, operations, contracts or other arrangements in full force and effect.
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) inamtain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carrie on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to you premises, business, financial and computer records and allow the duplicatio or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to th Collateral.

### 14. NEGATIVE COVENANTS

### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge lien, security interest, assignment, charge, or encumbrance (including withou limitation, any conditional sale, or other title retention agreement, or financlease) of any nature, upon or with respect to the Collateral, or sign or file unde the Personal Property Security Act (Ontario) (the "PPSA") or similar registr system of any jurisdiction a financing statement which names you as a debtor or sign any security agreement authorizing any secured party thereunder to filsuch financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship as the case ma be, permit any change of ownership or change your capital structure withou out prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permittee under this Agreement or change the location(s) of the Collateral without ou prior written consent.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relatin; to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt o obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors o consent to the appointment of a trustee or receiver, or a trustee or receiver shall in appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- f you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- you pledge, encumber, moltgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest of encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you fail to defiver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- ra) seize and possess the Collateral;
- (b) carry on your business.
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance:

- ťð clemand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security:
- make any anangement or compromise in our interest, or (2)
- (15 take any other action deemed necessary to cany into effect the provisions of this Adreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You mevocably appoint us your attomey, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights. and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed. to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

### 20 DAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured. by this Agreement

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours" and "us" refer to 1951584 Ontario Inc.

#### 23 CONTINUING FEFCTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

#### 676 Sheppard Ave., Toronto, ON M2K 3E7 Address

or that we may receive by way of confirmation of a security registration in respect of this Agreement of any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your beirs and your successors and assign and shall envire to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our priowritten consent. We may assign our rights under this Agreement without your consenand without providing you notice of such assignment. This Agreement shall continue in full foroand effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you a us or may be sent by prepaid registered mail addressed to our address shown above o your address shown below, or such further address as we or you may notify to the othe in writing from time to time, and if so given the notice shall be deemed to have beer given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be

#### 27 DISCHARGE

It you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written c oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shaoperate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we mai reasonably require in order to give effect to the provisions and purposes of thi Agreement.

### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province c Ontario

John Gerges

### DEPOSITS AND CREDIT BALANCES

Unlimited

### **INVESTMENT PROPERTY**

N/A

### LIFE INSURANCE POLICIES

N/A

### LOCATIONS OF COLLATERAL

721 Gerrard St. E., Toronto, ON M4M 1Y5

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## 1951584 Ontario Inc. (formerly Desante Final Services Inc.)

## **General Security Agreement**

Customer: Gamal Farid Gerges

30 V — Jil Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.Desante.net

JUN 0 3 2019

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

(or agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal tees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and unciertakings including without limitation. Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidianes and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuei (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE the life insurance policy or policies described on Schedule A and any proceeds derived therefrom and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing. Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you wave all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective, and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary.

### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from an use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Date:

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis,

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

### 9. LOCATION OF COLLATERAL

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

### You hereby represent and warrant to us that:

- (a) If applicable you are a corporation duly existing, or a partnership duly established under me laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, perimits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so.
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder.
- ic) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you, and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

#### You will

- (a) of you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends.
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

#### You agree to

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, ficences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets.
- maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carrie on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to you premises, business, financial and computer records and allow the duplicatio or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to th Collateral.

### 14. NEGATIVE COVENANTS

### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge lien, security interest, assignment, charge, or encumbrance (including withoulimitation, any conditional sale, or other title retention agreement, or financlease) of any nature, upon or with respect to the Collateral, or sign or file unde the Personal Property Security Act (Ontario) (the "PPSA") or similar registr system of any jurisdiction a financing statement which names you as a debtor or sign any security agreement authorizing any secured party thereunder to fil such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case mabe, permit any change of ownership or change your capital structure withou our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitteunder this Agreement or change the location(s) of the Collateral without on prior written consent.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relatin to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debtic obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you became insolvent or bankrupt or make an assignment for the benefit of creditors c consent to the appointment of a trustee or receiver, or a trustee or receiver shall b appointed for you or for a substantial part of your property without your consent:
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you.
- (f) any statement made by you to induce us to extend credit to you was faise in any materirespect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyon daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governin body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence c any lien or any other interest or dam including any proprietary or trust interest c encumbrance claimed by any third party with respect to any of the Collateral, except for an lien granted by you're our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, b guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to defiver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or t believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations i full, whether matured or not, and we may enforce this Agreement by any method permitted by law, an we may exercise any rights and remedies under applicable law, and we may appoint any persor including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of th Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business:
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral,
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- demand, sue for and receive Accounts, give effectual receipts and discharges for the (f)Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- $\{g\}$ make any auangement or compromise in our interest, or
- 66 take any other action deemed necessary to carry into effect the provisions of this Agreened

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time

#### 17. POWER OF ATTORNEY

You intevorably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the nght to we your came and to take proceedings in your name

#### 18 NON WAIVER BY US

Any Dreach by you, of this Appendix or the occurrence of an Event of Default may only be waived by us in arriting. Any waiver twitts does not mean that any subsequent breach or Event of Default is also warved. Any failure by us to notify you of an Event of Default shall not be deemed. to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any enclumbrance that may exist or be threatened. against the Collateral. In addition, we or the Receiver may borrow money required. for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred. in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured. by this Agreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you" "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to 1951584 Ontario Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void. The remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

14744 Woodbine Ave., Gormley, ON LOH 1G0 Address

or that we may receive by way of confirmation of a security registration in respect of this Agreement of any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assignand shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our priowritten consent. We may assign our rights under this Agreement without your consenand without providing you notice of such assignment. This Agreement shall continue in full foroand effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepard registered mail addressed to our address shown above o your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have beer given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written o oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province o Ontario

Gamal Farid Gerges

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard St. E., Toronto, ON M4M 1Y5

**DEBTOR 4: JGWI** 



# PROMISSORY NOTE BA050178B-001

4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

#### AMOUNT: \$410,847.50

#### DATED May 27, 2015

FOR VALUE RECEIVED, the undersigned (the "Borrower"), jointly and severally (if more than one), hereby promises to pay to or to the order of ELEMENT FINANCIAL CORPORATION (the "Lender"), at 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 151(or to such other person or at such other place as the Lender may from time to time in writing direct), the principal sum of (\$410,847.50) Four Hundred, Ten Thousand, Eight Hundred and Forty-Seven Dollars, Fifty Cents (the "Principal Sum") together with interest at a fixed rate of 6.50% per annum, compounded monthly and accruing in arrears, in 60 consecutive blended monthly installments of principal and interest, in the amounts and at the times set out in the schedule of installments below.

NO. OF MONTHLY PAYMENTS	MONTHLY INSTALLMENT PAYMENTS	COMMENCING (MM/DD/YYYY)
59	\$4,669.24	07/01/2015
1	\$243,308.43	06/01/2020

All payments hereunder shall be made payable to the Lender, unless otherwise directed in writing by the Lender. This Note cannot be prepaid except with the written consent of the Lender and on terms and conditions that the Lender stipulates. Any overdue payment of principal or interest shall be interest before and after default, demand and judgment at a rate of interest per annum of 18% from the due date, calculated and compounded monthly in arrears.

If the Borrower fails to pay any amount when due under the terms of this Note or any other event of default occurs under any security agreement executed by the Borrower in favour of the Lender (the "Agreement") securing the obligations of the Borrower to the Lender under, among other things this Note (each, a "Default"), the Lender may, in addition to any right or remedy set out in any security (including the Agreement), declare all amounts then due under this Note and all unpaid and future payments under this Note to be immediately due and payable, without any additional notice or demand of any kind, and in such event the Borrower shall forthwith pay to the Lender all such amounts then due under this Note and, as a genuine pre-estimate of liquidated damages for loss of bargain and not as a penalty, the present value of all unpaid and future payments discounted from their respective due dates at a discount rate equal to three percent (3%) per annum.

Payments received by the Lender shall be applied first in payment of unpaid accrued interest and the balance, if any, to the reduction of the Principal Sum. The Borrower waives diligence, presentment, demand, notice, protest, and notice of protest and notice of dishonour. The Borrower shall pay all costs arising or incurred by the Lender as a result of a Default, including reasonable legal fees on a solicitor and his own client basis. This Note has been written in the English language at the express request of the parties. Le présent billet a été rédigé en langue anglaise à la demande expresse des parties. The Lender can assign this Note to any third party without notice to or consent of the Borrower. The Borrower may not assign this Note without the Lender's prior written consent. This Note shall be governed by and construed in accordance with the laws of the Province of Ontario.

On the sale or other disposition of (a) shares in the capital of the Borrower, or (b) assets of the Borrower (other than the sale of used equipment in the normal course of business of the Borrower), the Borrower shall prepay outstanding credit hereunder in the amount of the proceeds of such disposition (net of the transaction cost of such disposition).

The Lender is hereby irrevocably authorized and directed to pay the Principal Sum as instructed below and the Borrower acknowledges and confirms that the Lender making such payment as directed, the Borrower shall become indebted to the Lender for the Principal Sum and interest thereon pursuant to the terms and conditions hereof: (Check A or B):

A. \$410,000,00 to be paid to Goldstein & Grubner In Trust and \$847.50 to be paid to Element Financial Corporation

B. To the Lender, as repayment of the principal and accrued interest owed under the following promissory notes:

I hereby authorize Lender to debit my bank account noted on the attached void cheque ("Borrower's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lender under the terms of this Promissory Note, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lender with 30 days' prior written notice. I understand that I may contact my financial institution or visit <u>www.cdnpay.ca</u> to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Borrower and Lender and has no effect whatsoever on any other provision of this Promissory Note. Borrower has certain recourse rights if any debit from the Borrower's Account does not comply with the pre-authorized payment authorization granted by Borrower in this Promissory Note. For example, Borrower has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by

Page 1 of 2



# PROMISSORY NOTE BA050178B-001

4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

Borrower in this Promissory Note. To obtain more information on Borrower's recourse rights, Borrower may contact his/her/its financial institution or visit www.cdnpay.ca. Lender may assign to an assignee (the "Assignee") the pre-authorized payment authorization granted by Borrower in this Promissory Note provided that Lender provides Borrower with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Monthly Installment Payments or other amounts due under this Promissory Note from the Borrower's Account.

ATTACH VOID CHEQUE

JG WINDOR INC. (Borrower) I have authority to bind the corporation

Signature

Name: John Gerges

Title: Director

ELEMENT FINANCIAL CORPORATION (Lender)

Signature:

Name: Ben Wyett

Title: Vice-President, Operations

#### CERTIFICATE OF OFFICER

The undersigned, John Gerges, Director of JG Windsor Inc. (the "Corporation") hereby certifies to Element Financial Corporation, its successors and assigns, that the foregoing Promissory Note and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation held on May \_\_\_\_\_\_, 2015 which resolution has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

	ET.	
Signature: X	Sof	
Name: John Gerg	es.	

Title: Director

Page 2 of 2

# lement

# GENERAL SECURITY AGREEMENT

Element Financial Corporation 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

THIS AGREEMENT made as of this \_\_\_\_\_ day of May. 2015.

BY: JG WINDSOR INC. a corporation incorporated under the laws of ON (hereinafter called the "Debtor")

ADDRESS: 2780 Totten Avenue, Windsor, Ontario, N9C 2Z3

#### ISSUED IN FAVOUR OF: ELEMENT FINANCIAL CORPORATION ("ELEMENT")

#### WHEREAS Element has agreed to extend credit to the Debtor

AND WHEREAS the Debtor has agreed to grant, as general and continuing security for the payment and performance of all its obligations to Element, the security interest and assignment, mortgage and charge granted herein;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements here in contained the debtor agrees with Element as follows:

#### ARTICLE ONE - INTERPRETATION

- 1.01 Interpretation 1. In this Agreement, unless something in the subject matter or context is inconsistent therewith,
  - "Agreement" means this General Security Agreement and all schedules to this Agreement, in each case as they may be amended or supplemented from time to time, and the terms "this Agreement", "hereof", "hereunder" and similar
  - "this Agreement", "hereou", "hereounder" and similar expressions refer to this Agreement as a whole and not to any particular Article, Section or other portion hereof; "Collateral" has the meaning attributed thereto in Section 2.01, and any reference to "Collateral" shall be deemed a reference to "Collateral" or any part thereof; "Obligations" mean all obligations of the Debtor to ELEMENT (6)
  - (c) including, without limiting the generality of the foregoing, all debts, liabilities, and indebtedness, present or future, direct or indirect, absolute or contingent, matured or not, whenever and howsover incurred, in any currency at any time owing by the Debtor to ELEMENT or remaining unpaid by the Debtor to ELEMENT and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether arising from dealings between ELEMENT and the Debtor or from other dealings or proceedings by which ELEMENT may be or become in any manner whatsoever a creditor of the Debtor and wherever incurred and whether incurred by the Debtor alone or with another or others and whether as principal or surety, including all interest, commissions, and other costs, charges and expenses;
  - "Receiver" means any of a receiver or receiver and manager appointed by ELEMENT pursuant to this Agreement; (d)
  - (e)
  - appointed by clearer pursuant to rins Agreement; "Guarantor" means any guarantor of the Obligations; and the terms "accession", "chattel paper", "documents of title", "goods", "instruments", "intangibles", "money", "proceeds" and "securities" whenever used herein shall have the meaning given to those terms in the Personal Property Security Act in (Ontario), as now enacted or as the same may from time to time be amended, re-enacted or replaced.
- The division of this Agreement into Articles and Sections and the 2. insertion of headings are for convenience or reference only and shall not affect the construction or interpretation of this Agreement. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Agreement.
- In this Agreement words importing the singular number only shall 3. include the plural and vice versa, words importing any gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

## ARTICLE TWO - GRANT OF SECURITY

#### 2.01 Security

As general and continuing security for the payment and performance of the Obligations, the Debtor hereby grants to ELEMENT a security interest in the present and future undertaking and property, both real and personal, and wherever located, of the Debtor (collectively, the "Collateral"), and as further general and continuing security for the payment and performance of the Obligations, the Debtor hereby

assigns the Collateral to ELEMENT and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to ELEMENT. Without limiting the generality of the foregoing, the Collateral shall include all right, title and interest that the Debtor now has or may hereafter have, be possessed of, or be entitled to in all property of the following kinds: (a) Accounts receivable: all debts, accounts, claims and chooses in

- action which are now or which may hereafter become due, owing or accruing due to the Debtor (collectively, the "Receivables"); Inventory; all inventory or whatever kind and wherever situate,
- (6) including, without limiting the generality of the foregoing, all goods held for sale or lease or furnished or to be furnished under contracts for service or used or consumed in the business of the Debtor (collectively, the "Inventory");
- Equipment: all machinery, equipment, fixtures, furniture, plant, vehicles and other tangible personal property which is not inventory (collectively, the "Equipment"); Chattel Paper: all chattel paper; (C)
- Documents of Title: all warehouse receipts, bills of lading and other documents of title, whether negotiable or not; Securities and Instruments: all shares, stock, warrants, bonds,
- (f)debentures, debenture stock and other securities and all instruments;
- Intangibles: all intangibles not described in Section 2.01(a) including, without limiting the generality of the foregoing, all goodwill, patents, trademarks, copyrights and other intellectual (g) roperty;
- Money: all coins or bills or other medium of exchange adopted for use as part of the currency of Canada or of any foreign (h) government;
- 69 Books, Records, Etc.: all books, papers, accounts, involces, documents and other records in any form evidencing or relating to any of the property described in Sections 2,01(a) to (h) inclusive, and all contracts, securities, instruments and other rights and benefits in respect thereof (including without. limitation, patient lists and records to the extent that the
- Debtor is a medical practitioner or dentist); Substitutions, Etc.: all replacements of, substitutions for and increases, additions and accessions to any of the property (ff described in Sections 2.01(a) to (I) Inclusive;
- Proceeds: all proceeds to the property described in Sections 2.01(a) to (1) inclusive including, without limiting the generality of the foregoing, all personal property in any form or fixtures derived directly or indirectly from any dealing with such (k)property or that indemnifies or compensates for the loss of or damage to such property; and
- All property described in schedule(s) now or hereafter attached (1)
- (1) An property description in scheduler, many internet internet, hereto, In addition, the Debtor hereby charges in favour of ELEMENT, as and by way of a floating charge, its undertaking and all property and assets, real and personal, movable or immovable, of whatsoever nature and kind, both present and future and every interest therein the three therein. 2.02 which the Debtor now has or hereafter acquires (other than the property and assets hereby effectively assigned or subjected to the specific mortgage and charge and subject to the exceptions hereinafter contained);

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# Gelement

# **GENERAL SECURITY AGREEMENT**

Element Financial Corporation 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 151 Tel: (905)-366-8900 Fax: (888)-772-8129

- 2.03 Notwithstanding anything hereinbefore contained, the security interest, assignment, mortgage and charge granted hereby shall not extend to, and the Collateral shall not include:
  - (a) any consumer goods;
  - (b) the last day of the term of any lease or any agreement for lease of real property now held or hereafter acquired by the Debtor, but should ELEMENT enforce the said security interest, assignment, mortgage and charge, the Debtor shall stand possessed of such last day and shall hold it in trust for ELEMENT and shall assign the same as ELEMENT shall direct; or
  - (c) any agreement, right, franchise, license or permit (the "contractual rights") to which the Debtor is a part or of which the Debtor has the benefit, to the extent that the creat(on of the security interest, assignment, mortgage and charge therein would constitute a breach of the terms of or permit any person to terminate the contractual rights, but the Debtor shall hold its interest therein in trust for ELEMENT and shall assign such contractual rights to ELEMENT forthwith upon obtaining the consent of the other party thereto or as directed by ELEMENT. The Debtor agrees that it shall, upon the request of ELEMENT, use all commercially reasonable efforts to obtain any consent required to permit any contractual rights to be subjected to the security interest, assignment, mortgage and charge granted hereby.
- 2.04 Property in and title to any item of Collateral supplied to the Debtor by ELEMENT, or the acquisition of which has been financed by ELEMENT, shall remain in ELEMENT until the full purchase price of such item, together with interest, financing charges and other charges in respect thereof from time to time in effect, shall have been paid in full. Receipt by ELEMENT of any instrument of or endorsed by the Debtor shall not constitute payment until ELEMENT receives in cash the full amount thereof. Risk of loss of each item of Collateral supplied by ELEMENT shall pass to the Debtor upon delivery thereof to the Debtor.

# ARTICLES THREE - GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE DEBTOR

- 3.01 Representations and Warranties
  - The Debtor hereby represents and warrants to ELEMENT that: (a) the Debtor, if a corporation, is a corporation duly incor
    - ) the Debtor, if a corporation, is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation; the Debtor has the power, corporate or otherwise, to enter into this Agreement; this Agreement has been duly authorized by all necessary action, corporate or otherwise, on the part of the Debtor; this Agreement constitutes a legal and valid agreement binding upon the Debtor enforceable in accordance with its terms; the making and performance of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Debtor pursuant to the articles, by-laws or other constating documents of the Debtor is a party by or which the Debtor or any of its property may be bound or affected;
    - (b) all financial information provided by the Debtor to ELEMENT is true, correct and complete; all financial statements of the Debtor have been prepared in accordance with Canadian generally accepted accounting principles consistently applied; there has been no material adverse change in the Debtor's financial condition since the date of the most recent financial statements provided to ELEMENT;
    - (c) except as otherwise provided herein or disclosed in a schedule hereto, all of the Collateral is the sole property of the Debtor free from any liens, charges, security interests, encumbrances or any rights of others which rank prior to or parl passu with the security interest, assignment, mortgage and charge granted hereby; and
       (d) the Debtor's chief executive office, the location of the office
  - (d) the Debtor's chief executive office, the location of the office where it keeps its records respecting the Receivables and the location of all other tangible Collateral (other than inventory in transit) is that given in Section 7.06 of this Agreement, except as otherwise provided herein or disclosed in any schedule(s) hereto.
- 3.02 Covenants

The Debtor covenants with ELEMENT that:

- (a) It shall ensure that the representations and warranties set forth in Section 3.01 are true and correct at all times;
   (b) it shall maintain, use and operate the Collateral and carry on
- (b) it shall maintain, use and operate the Collateral and carry on and conduct its business in a lawful and business-like manner;
   (c) it shall not permit the Collateral to be affixed to real or
- (c) it shall not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of ELEMENT;
- (d) it shall defend the Collateral against all claims and demands respecting the Collateral made by all persons at any time and, except as otherwise provided herein, shall keep the Collateral free and clear of all security interests, mortgages, charges, liens and other encumbrances or interests;
   (e) it shall not change its chief executive office or the location of
- (e) it shall not change its chief executive office or the location of the office where it keeps its records respecting the Receivables, or move any other tangible Collateral (other than inventory in transit) from the locations specified in Section 3.03(d), without the prior written consent of ELEMENT;
- (f) It shall pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall deliver to ELEMENT, when required, the receipts and vouchers establishing such payment;
- (g) It shall keep proper books of account in accordance with sound accounting practice, shall furnish to ELEMENT any financial and personal information of the Debtor and any Guarantor as ELEMENT may from time to time require and it shall permit ELEMENT or its authorized agents at any time at the expense of the Debtor to examine the books of account and other financial records and to make copies thereof and take extracts therefrom;
- (h) It shall from time to time forthwith at the request of ELEMENT furnish to ELEMENT in writing all information required relating to the Collateral (including without limitation, descriptions of all motor vehicles and other "serial number" goods), and ELEMENT shall be entitled from time to time at any reasonable time to inspect the Collateral and make copies of all information relating to the Collateral and for such purposes ELEMENT shall have access to all premises occupied by the Debtor to examine the books of account and other financial records and to make copies thereof and take extracts therefrom;
- (i) It shall not change its name or, if the Debtor is a corporation, shall not amalgamate with any other corporation without first giving notice to ELEMENT of its new name and the names of all amalgamating corporations and the date when such new name or amalgamation is to become effective; and
- (j) it shall pay to ELEMENT forthwith upon demand all reasonable costs and expenses (including, without limiting the generality of the foregoing, all legal, Receiver's and accounting fees and expenses) incurred by or on behalf of ELEMENT in connection with the preparation, execution, registration or amendment of this Agreement, the perfection or preservation of the security interest, assignment, mortgage and charge granted hereby and the carrying out of any of the provisions of this Agreement including, without limiting the generality of the foregoing, enforcing by legal process or otherwise the remedies provided herein; and all such costs and expenses shall be added to and form part of the Obligations secured hereunder.
- 3.03 The Debtor will keep all Equipment forming a part of the Collateral in good working order and condition, reasonable wear and tear expected, and ELEMENT may, whenever it deems it to be necessary, either in person or by agent, inspect any such Equipment and make such repairs thereto as it deems are necessary and the cost of such inspection and repairs shall be payable by the Debtor to ELEMENT upon demand.
- 3.04 If the Collateral should at any time hereafter include securities, instruments, chattel paper and negotiable documents of title, the Debtor will, if requested by ELEMENT, immediately deliver possession of such securities, instruments, chattel paper and negotiable documents of title to ELEMENT and, if requested by ELEMENT, will cause such securities included in the Collateral to be registered in ELEMENT's name so that ELEMENT may appear of record as the sole owner of such securities. Until the occurrence of an Event of Default, the Debtor shall be entitled to receive all distributions paid in respect of any securities included in the Collateral, shall be entitled to exercise all voting rights with respect to such securities and ELEMENT's will deliver to the Debtor or to a person designated by the Debtor's upon written request and upon receipt of payment of ELEMENT's

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expenses in connection therewith, directions with respect to such distributions and a proxy to vote such securities. The Debtor walves all right to receive any such distribution after the occurrence of an Event of Default. The Debtor agrees that no proxy issued by ELEMENT to the Debtor or its order as aforesaid shall be effective from and after the occurrence of an Event of Default, and upon the occurrence of an Event of Default the Debtor shall immediately surrender any such proxy to ELEMENT.

3.05 All agreements, representations, warranties and covenants made by the Debtor in this Agreement are material, will be considered to have been relied on by ELEMENT and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of ELEMENT and any disposition or payment of the Obligations until repayment and performance in full of the Obligations and termination of all rights of the Debtor that, if exercised, would result in the existence of Obligations.

#### **ARTICLE FOUR - INSURANCE**

#### 4.01 INSURANCE

The Debtor shall obtain and maintain, at its own expense, insurance against loss or damage to the Collateral including, without limiting the generality of the foregoing, loss by fire (including so-called extended coverage), theft, collision and such other risks of loss as are customarily insured against on this type of Collateral in any amount not less than the full replacement value thereof, in such form and with such insurers as shall be reasonably satisfactory to ELEMENT. If any such policies of insurance contain a co-insurance clause, the Debtor shall either cause any such co-insurance clause to be waived or maintain at all times a sufficient amount of insurance to meet the requirements of any such co-insurance clause so as to prevent the Debtor from becoming a co-insurer under the terms of any such policy. All such policies shall name ELEMENT as an additional insured and as a first loss payee thereof, as ELEMENT's interests may appear, and shall contain a clause requiring the insurer to give ELEMENT at least 30 days' prior written notice of any alteration in the terms of such policy or of the cancellation or intended cancellation thereof. At ELEMENT's request, the Debtor shall furnish ELEMENT with a copy of any policy of insurance and certificate of insurance or other evidence satisfactory to ELEMENT that such insurance coverage is in effect, provided, however, that ELEMENT shall be under no duty to either ascertain the existence of or to examine such insurance policy or to advise the Debtor in the event such insurance coverage shall not comply with the requirements hereof.. The Debtor shall give ELEMENT notice of any damage to, or loss of, the Collateral forthwith upon the occurrence of any such damage or loss. Should the Debtor fail to make any payment or perform any other obligation provided in this Section, ELEMENT shall have the right, but not the obligation, without notice to or demand upon the Debtor and without releasing the Debtor from any obligation hereunder or waiving any rights to enforcement of this Agreement, to perform any or all of such obligations. The amount of all such payments made and all costs, fees and expenses incurred by ELEMENT in performing such obligations shall be immediately due and payable to the Debtor and, until paid, such amounts shall be added to and form part of the Obligations secured hereunder. The Debtor will, at its expense, make all proofs of loss and take all other steps necessary to recover insurance benefits unless advised in writing by ELEMENT that ELEMENT desires so to do at the Debtor's expense. If the Debtor falls to recover the insurance benefits within a reasonable time or If ELEMENT notifies the Debtor in writing of ELEMENT's desire to recover such insurance benefits directly, then the Debtor hereby appoints ELEMENT, with full power of substitution, as the Debtor's lawful attorney for all such purposes, including the execution and endorsement of all documents, cheques or drafts for loss or damage under any applicable insurance policies. Proceeds of the insurance shall at the option of ELEMENT be disbursed by ELEMENT against satisfactory involces for repair or replacement of the Collateral, or be retained by ELEMENT for application against the Obligations, and if the proceeds received are less than the loss value of the Collateral lost, the Debtor shall immediately pay to ELEMENT the amount of such deficiency. The total or partial loss of the Collateral or its use or possession shall not relieve the Debtor from its Obligations.

#### ARTICLE FIVE - DEALING WITH COLLATERAL

5.01 Dealing with Collateral by the Debtor The Debtor shall not sell, lease or otherwise dispose of any of the Collateral without the prior written consent of ELEMENT, except that the Debtor may, until an Event of Default occurs, seil or otherwise dispose of items of inventory in the ordinary course of its business so that the purchaser thereof takes title thereto free and clear of the security interest, assignment, mortgage and charge granted hereby and, subject to Section 5.02, collect Receivables in the ordinary course of its business.

#### 5.02 Notification of Account Debtors

- Before or after an Event of Default occurs, ELEMENT may give notice of this Agreement and the security granted hereby to any account debtors of the Debtor or to any other person liable to the Debtor and, after the occurrence of an Event of Default, may give notice to any such account debtors or other person to make all further payments to ELENT. Any payments or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor whether before or after any notice is given by ELEMENT shall be held by the Debtor In trust for ELEMENT and paid over to ELEMENT on request.
- 5.03 Application of Funds

Except where the Debtor, when no Event of Default has occurred, so Except where the Debtor, when no Event of Default has occurred, so directs in writing at the time of payment, all money collected or received by ELEMENT in respect of the Collateral may be applied on account of such parts of the Obligations as ELEMENT in its sole discretion may determine, or may be held unappropriated in a collateral account, or in the discretion of ELEMENT may be released to the Debtor, all without prejudice to ELEMENT's rights against the Debtor. Dentor.

#### ARTICLE SIX - DEFAULT AND REMEDIES

6.01 Events of Default

- The Debtor shall be in default under this Agreement upon the occurrence of any of the following events (herein referred to as an
- "Event of Default"): (a) the Debtor fails to pay to ELEMENT all or any part of the Obligations when due;
- íb١ the Debtor fails to observe or perform any covenant or other obligation of the Dobtor contained in this Agreement (other than a covenant or obligation specifically dealt with elsewhere in this Section 6.01);
- any representation or warranty made by the Debtor or any Guarantor to ELEMENT in connection with the entering into of this Agreement or any statement in any document, agreement or certificate furnished at any time to ELEMENT in connection herewith proves to have been untrue, incorrect or misleading when made or furnished:
- the Debtor, any Guarantor or any affiliate thereof is in default (d) under any other agreement or obligation now existing or hereinafter entered into with ELEMENT or any affiliate of ELEMENT whether any of Debtor, such Guarantor or such affiliate is bound alone or with others;
- (e) the Debtor or any Guarantor ceases or threatens to cease to carry on the business currently being carried on by it or disposes of all or substantially all of its property;
- the Debtor or any Guarantor becomes insolvent (within the meaning of the Bankruptcy and Insolvency Act) or commits or (f) threatens to commit an act of bankruptcy or if a petition in bankruptcy, proposal, arrangement or reorganization under the Bankruptcy and Insolvency Act, Winding-up and Restructuring Act or Companies' Creditors Arrangement Act is filed by or against the Debtor or any Guarantor or if a trustee, receiver or receiver-manager or other similar official is appointed for Debtor or any Guarantor or a substantial part of Debtor's or any Guarantor's property;
- if Debtor is a corporation, there is any change in its effective (g)
- control without ELEMENT's prior written consent; the Collateral or any part thereof is selzed, forfeited or confiscated or otherwise attached by anyone pursuant to any (h) legal process or other means;
- an encumbrancer or any other party takes possession of a substantial part of the Debtor's or any Guarantor's property; (1)
- the Debtor challenges or threatens to challenge the validity or enforceability of this Agreement or the security interest, assignment, mortgage or charge granted by this Agreement; ELEMENT believes in good faith that the payment of the 0)
- (k) Obligations or the performance or observance of any covenant herein is impaired or that the Collateral is in danger of being lost, damaged or confiscated, or of being encumbered by the

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#### Element Financial Corporation 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

Debtor or seized or otherwise attached by anyone pursuant to any legal process or otherwise; or

Debtor or any Guarantor dies or becomes mentally incompetent, (1) if an individual, or is dissolved, or amalgamated or wound up if Debtor or such Guarantor is a corporation.

element

- 6.02 Remedies
- Upon the occurrence of any Event of Default and at any time thereafter, ELEMENT shall have, in addition to any right or remedy provided by law, the rights and remedies set out below, all of which rights and remedies shall be enforceable successively, concurrently and/or cumulatively and all of which may be exercised by ELEMENT
  - and/or cumulatively and all of which hay been been clear by ELEMENT directly of through agents or nominees:
     (a) any or all of the Obligations shall at the option of ELEMENT become immediately due and payable or be subject to immediate performance, as the case may be, without further demand or notice, both of which are expressly waived; and the obligations, if any, of ELEMENT to make further advances to the Debtor shall cease; and any or all security granted hereby shall, at the option of ELEMENT, become immediately enforceable;
  - ELEMENT may appoint any person to be a Receiver of the Debtor or any or all of the Collateral and may remove any Receiver so appointed and appoint another if ELEMENT so desires; It being (b) agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all the powers as may be provided for in the instrument of appointment or any supplemental Instrument, as well as all the powers of ELEMENT hereunder, and in addition, shall have the power to carry on the business of the Debtor;
  - (C) ELEMENT may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to ELEMENT at such place or places as may be specified by ELEMENT;
  - ELEMENT may carry on or concur in the carrying on of all or any (d)
  - part of the business of the Debtor; ELEMENT may enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law; (e)
  - (f) ELEMENT may sell, lease or otherwise dispose of the Collateral at public auction, by private tender or by private sale either for cash or upon credit upon such terms and conditions as ELEMENT may determine and without notice to the Debtor unless required by law; ELEMENT may retain the Collateral in satisfaction of the
  - (R) Obligations upon notice to the Debtor of its intention to do so in the manner required by law;
  - (h)ELEMENT may apply to a court of competent jurisdiction for the appointment of a receiver or a receiver and manager of the Debtor or of any or all of the Collateral; and
  - ELEMENT may borrow money on the security of the Collateral in (1) priority to the security interest, assignment, mortgage and charge granted by this Agreement for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Collateral.

- 2. The Debtor further agrees with ELEMENT that: ELEMENT shall not be liable or responsible for any failure to seize, collect, realize, sell or obtain payment of the Collateral (a) and shall not be bound to institute proceedings or to take other and shar har be bound to instruct a proceedings of to take of the steps for the purpose of seizing, collecting, realizing or obtaining possession or payment of the Collateral or for the purpose of preserving any rights of ELEMENT, the Debtor or any other person in respect of the Collateral;
- ELEMENT may grant extensions of time, take, abstain from taking and perfecting and give up security, accept compositions, grant releases and discharges, release any part of the Collateral and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as ELEMENT may see fit without prejudice to the liability of the Debtor to ELEMENT or ELEMENT's rights hereunder; To facilitate the realization of the Collateral, ELEMENT may
- (c) enter upon, occupy and use all or any of the premises owned or occupied by the Debtor and use all or any of the Collateral and other personal property of the Debtor for such time as ELEMENT requires, free of charge, and ELEMENT shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions:

- ELEMENT may discharge any claim, lien, mortgage, charge, (d) security interest, encumbrance or any rights of others that may exist or be threatened against the Collateral, and in each such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations hereby secured; and
- Any process of realization of the Collateral may be applied by (e) ELEMENT to the payment of reasonable costs, charges and expenses (including without limiting the generality of the foregoing, legal, Receiver and accounting fees and expenses) incurred in connection with the exercise of any of the rights, powers and remedies granted under this Agreement and any balance of such proceeds shall be applied by ELEMENT to payment of the Obligations in such order as ELEMENT may see fit; if there is any surplus remaining, it shall be paid to any person having a claim thereto in priority to the Deblor of whom ELEMENT has knowledge and any balance remaining shall be paid to the Debtor; if the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the aforesaid costs, charges and expenses, the Debtor shall be liable to pay any deficiency to ELEMENT forthwith on demand.
- 3. If Debtor is a medical practitioner, dentist or pharmacist, then and only then, Debtor further agrees, in addition to and not in lieu of any of the foregoing;
  - (a) to deliver the Books and Records described in Section 2.01(i), upon the request of ELEMENT, to an individual designated by ELEMENT who is qualified and licensed to carry on his/her Practice (as defined below); and
  - not to carry on a Practice or attempt to contrive to carry on (b) his/her Practice, directly or indirectly, individually or in partnership or for a corporation as principal, agent, director or officer or in any other manner whatsoever or permit his/her officer of in any other manner wasbeever of permit hisries
     name to be used or employed in any Practice, without the written consent of ELEMENT, for:

     a period of time of three years (or, if such period of time is not permitted by applicable law, the longest
    - period of time that is permitted by applicable law), from the date of the Event of Default, and a geographic area that is within a 5 kilometre radius
    - ¥ł., (or, if such geographic area is not permitted by applicable law, the largest geographical area that is lor, permitted by applicable law) of the premises at which the Debtor's Practice was carried out prior to the Event of Default.

For a medical practitioner or dentist, "Practice" means practicing the prevention, diagnosis, treatment of medical diseases and injuries and malfunctions of the teeth, jaws and mouth, and for a pharmacist, "Practice" means the preparation and dispensing of pharmaceuticals.

#### ARTICLE SEVEN - GENERAL

7.01 Benefit of the Agreement

This Agreement shall be binding upon the heirs, executors, administrators, successors and permitted assigns of the Debtor and shall benefit the successors and assigns of ELEMENT. If there is more than one Debtor named herein, the term "Debtor" shall mean all and each of them, and their obligations under this Agreement shall be joint and several and the Obligations shall include those of all or any one of them. No Debtor shall have any right of subrogation, exoneration, reimbursement or Indemnity whatsoever and no right of recourse to the Collateral for the Obligations unless and until all of the Obligations have been paid or performed in full.

7.02 Entire Agreement

This Agreement, including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Debtor and ELEMENT with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or stautory, between ELEMENT and the Debtor except as expressly set forth herein.

7.03 No Waiver

No delay or failure by ELEMENT in the exercise of any right hereunder shall operate as a walver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

7.04 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability

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shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

#### 7.05 Further Assistance

The Debtor will from time to time forthwith at the request of ELEMENT and at the expense of the Debtor, make, do, execute, acknowledge and deliver such financing statements, financing change statements, schedules and further assignments, transfers, documents, acts, matters, things and assurances as may be reasonably required by ELEMENT to effectively carry out the full intent and meaning of this Agreement or to better evidence, perfect and preserve the security interest, assignment, mortgage and charge and preserve or security interest, assignment, morgage and charge granted hereby. The Debtor hereby irrevocably constitutes and appoints ELEMENT, or any Receiver appointed by a court of competent jurisdiction or ELEMENT, the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing. In the name of the Debtor whenever and wherever ELEMENT or any such Receiver may consider it to be necessary or desirable, and the Debtor agrees to ratify and confirm all such acts of the said attorney lawfully done. The Debtor shall pay all costs for searches and filings in connection with the registration, perfection and continuation of the security granted hereunder.

#### 7.06 Notices

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and may be given by personal delivery, registered mail or by facsimile transmission, addressed to the recipient as follows:

To the Debtor: (c) JG Windsor Inc. 2780 Totten Avenue, 189 Old RTE 2 Road Windsor, Ontario, N9C 2Z3

Fax No .:

TO ELEMENT FINANCIAL CORPORATION: (d) Element Financial Corporation 4 Robert Speck Pkwy, Ste 900 Mississauga, ON L4Z 1S1 Fax No.: (888) 772-8129

or such other address, facsimile number or to the attention of such other individual as may be designated by notice by any party to the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third day following the deposit thereof in the mail and, if given by facsimile transmission, on the day of transmittal thereof if given during the normal business hours and on the next business day if given after normal business hours on any day. If the party giving any communication knows or ought reasonably to know of any difficulties with the postal system and might affect the delivery of mall, any such demand, notice or

## JG WINDSOR INC.

(DEBTOR)

I have authority to bind the corporation

Signature: X Name: John Gerges

Title: Director

#### other communication shall not be mailed by shall be given by personal delivery or by facsimile transmission. 7.07 Modification

This Agreement may not be amended or modified in any respect except by written instrument signed by all parties. The rights of ELEMENT under this agreement may be assigned by all parties. The rights of ELEMENT under this Agreement may be assigned by ELEMENT without the consent of the Dobtor, free of any set-off, counter-claim or equities between the Debtor and ELEMENT, and the Debtor shall not assert against any assignee of ELEMENT any claim or defence that the Debtor has against ELEMENT. The Debtor may not assign its obligations under this Agreement.

7.08 Additional Continuing Security This Agreement and the security interest, assignment, mortgage and charge granted hereby are in addition to and not in substitution for any other security now or hereafter held by ELEMENT and this Agreement is a continuing agreement and the security shall remain in Tull force and effect until discharged by ELEMENT.

#### 7.09 Discharge

The Debtor shall not be discharged from any of the Obligations or from this Agreement except by a release or discharge signed in writing by ELEMENT.

#### 7.10 Governing Law

This Agreement shall, for the purpose of determining the validity and enforceability of ELEMENT's security interest in the Collateral and its remedies upon a default, be governed by and construed in accordance with the laws of the jurisdiction where (i) the Debtor is located with respect to that part of the Collateral that is inventory leased or held for lease to others or Collateral that is an intangible or Collateral that is normally used in more than one jurisdiction; and (ii) the laws of the jurisdiction where the Collateral is located in all other cases. For all other purposes, this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

#### 7.11 Executed Copy

The Debtor acknowledges receipt of a fully executed copy of this Agreement. The Debtor acknowledges its right to receive copies of any registered financing and financing change statements registered under the Personal Property Security Act with respect to transactions contemplated herein and, where permitted by law, hereby waives and renounces such right and exonerates ELEMENT from the obligation to provide such copies or verification statements thereto.

#### 7.12 Attachment

The Debtor confirms that value has been given by ELEMENT to the Debtor, that the Debtor has rights in the Collateral (other than afteracquired property) and that the Debtor and ELEMENT have not agreed to postpone the time for attachment of the security interest, assignment, mortgage and charge created by this Agreement to any of the Collateral. The security interest, assignment, mortgage and charge created by this Agreement will have effect and be deemed to be effective whether or not the Obligations or any part thereof are owing or in existence before or after or upon the date of this Agreement. Neither the execution of this Agreement nor any advance of funds shall oblige ELEMENT to advance any funds or any additional lunds.

ELEMENT FINANCIAL CORPORATION (ELEMENT)

Signature:

Name: Ben Wvett

Title: Vice-President, Operations

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#### Element Financial Corporation 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-8900 Fax: (888)-772-8129

#### CERTIFICATE OF OFFICER

The undersigned, John Gerges, Director of JG Windsor Inc. (the "Corporation") hereby certifies to Element Financial Corporation, its successors and assigns, that the foregoing General Security Agreement and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation held on May 27, 2015, which resolution has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

JG WINDSOR INC. Signature: X Name: John Gerges

-----

Title: Director

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**DEBTOR 5: JGII** 

#### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$475,450.00

PRINCIPAL

Maxium Financial Services Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6 MAR 1 5 2015

DATE

#### 1. PROMISE TO PAY AND INTEREST

For value received, Jimmy's Group Investors Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 255 Broadview Ave., Toronto, ON M4M 2G6 promises to pay to Maxium Financial Services Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Four Hundred Seventy Five Thousand Four Hundred Fifty Dollars and Zero Cents (\$475,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 6.00% per annum ("Interest Rate") as well after as before maturity and both before and after default or judgement ("Interest") and interest on overdue Interest at 18% per annum (provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law).

#### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of April 2015 and up to and including the 15<sup>th</sup> day of March 2020 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (Inclusive)	Date To (inclusive)	Amount of Each Instalment
60	April 15, 2015	March 15, 2020	\$3,407.39
1	March 15, 2020	March 15, 2020	\$403,787.94
			*

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

#### 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your tinancial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

#### 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of Interest determined pursuant to such calculation expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

#### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

#### 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

#### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire and le notre que le présent Contrat et tous documents s'y rapportant scient rédigés et signés en anglais.

#### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Jimmy's Group Investors

BY:

enall Cry Name: Title:

Setura 600 Setura 600 Secrety Name: Title:

# **General Security Agreement**

Customer: Jimmy's Group Investors Inc.

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

Mc. 413, 2015

Date:

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

# INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and luture obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal tees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and aller acquired personal properly and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monles and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and atfiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due

or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS 2.

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### INVESTMENT PROPERTY З.

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. PROCEEDS 4.

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in just for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and it you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### COSTS AND EXPENSES 6.

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and tees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all laxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### LOCATION OF COLLATERAL 9.

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise,

# 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, parinership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to tile such financing statement creating a security Interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankrupicy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, endumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

- (g) make any anangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Maxium Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or vold, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

Jimmy's	Group Investors Inc.
BY:	Tep
Name: Title:	Cond Cages
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Address: 255 Broadview Ave. Toronto, ON M4M 2G6

document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in tull force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

# 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY:

Name: Title:

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

255 Broadview Ave., Toronto, ON M4M 2G8

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# **DEBTOR 6: JMWPI**

#### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$762,022.01 PRINCIPAL CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario 148 3K6 AUG 0 2 2018 DATE

#### 1. PROMISE TO PAY AND INTEREST

For value received, JM Westview Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 15 Mill Street East, Tilbury, ON NOP 2LO promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Seven Hundred Sixty Two Thousand Twenty Two Dollars and One Cent (\$762,022.01) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

#### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of September 2018 and up to and including the 1<sup>st</sup> day of August 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 36 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
36	September 1, 2018	August 1, 2021	\$12,539.17
1	August 1, 2021	August 1, 2021	\$413,714.16
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Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

#### 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "**Relevant Period**"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

JM Westview Pharma-I	hrc.	
BY: Name: John Gerges	the second	

Title: President

BY:

Name: Title:

# **General Security Agreement**

Customer: JM Westview Pharma Inc.

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxlum.net

AUG 0 2 2018

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAILINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affitiates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

**UFE INSURANCE** - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontarlo), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, ar agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary originated by us, whether before or after the occurrence of any continuing Event o Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from an use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event o Default, we agree to pay you such income or interest promptly. After the occurrence o any continuing Event of Default, you will not demand or receive any income from o interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shal not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income o interest to payment of any of the Obligations, provided that we account for and pay ove to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement c notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receivereceiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to deferany legal claim or counterclaim by you or others respecting the manner of our enforcement of, or ouright to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clier basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypother mortgage, lien, charge, security interest or any other interest or claim including any proprietary or true interest or encumbrance claimed by any third party. You hereby covenant and agree to keep th Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thir parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwis dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolet equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customaril insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the insurance policy. The insurance policy will name us as first loss payee and additional insurer We may, in our absolute discretion, pay any premium due on any insurance policy, including any lif insurance policy forming part of the Collateral, and the amount of any premium we pay will be added t and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX reports within 120 days of each of your fiscal year ends;
- if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect , preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capita stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt o obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreemen between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors o consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any materix respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyoniclaims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governin, body is suspended or revoked;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence c any lien or any other interest or claim including any proprietary or trust interest o encumbrance claimed by any third party with respect to any of the Collateral, except for an lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, b guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreemen between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations is full, whether matured or not, and we may enforce this Agreement by any method permitted by law, an we may exercise any rights and remedies under applicable law, and we may appoint any persor

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or ormission: on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "yous" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVE

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ADDVOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be,

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shal operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of thi: Agreement.

## 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province o Ontario.

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JM West	view Pharma Inc.	$\Lambda$			
BY;	VD	11		BY:	
Name:	John Gerges	V	nn a tha tha th' de ann an an Allan a tha tha tha tha tha tha tha tha tha t	Name:	
Title:	President/Secretary			Title:	

# Address: 15 Mill Street East, Tilbury, ON NOP 2L0

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

# Unlimited

**INVESTMENT PROPERTY** 

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill Street East, Tilbury, ON NOP 2L0

# **General Security Agreement**

Customer: John Gerges

Date:

Richmond Hill, Ontarlo L4B 3K6 www.maxlum.net

AUG 0 2 2018

30 Vogell Road, Suite 1

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DERNITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehoki and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materia s used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from anuse or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates fo Assets and Undertakings destroyed or damaged (all of which property is herein collectively caller "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event o Default, we agree to pay you such income or interest promptly. After the occurrence o any continuing Event of Default, you will not demand or receive any income from on interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shal not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement o notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to deferm any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clien basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypother montgage, lien, charge, security interest or any other interest or claim including any proprietary or trus interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thin parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or focations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary se of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### **10. LIMITATION ON OBLIGATIONS OF CWB MAKIUM**

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (w thout any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such seccous we may require;
- (f) continue to carry on, and maintain in good standing, the business being carriec on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge lien, security interest, assignment, charge, or encumbrance (including withou limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure withou our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permittee under this Agreement or change the location(s) of the Collateral without ou prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relation to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt a obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors c consent to the appointment of a trustee or receiver, or a trustee or receiver shall b appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any materirespect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyon claims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governin body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence ( any lien or any other Interest or claim including any proprietary or trust interest c encumbrance claimed by any third party with respect to any of the Collateral, except for an lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, t guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or t believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations i full, whether matured or not, and we may enforce this Agreement by any method permitted by law, an we may exercise any rights and remedies under applicable law, and we may appoint any persoi including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of th Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life insurance, exercise any options available to you under the Life insurance;

- (f) demand, sue for and receive Accounts, give effectua sipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security:
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAYENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

Witness

WITNESS

Address: 14774 Woodbine Ave., Gormley, ON LOH 1G0 or that we may receive by way. .firmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **3D. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

1ac	
John Gerges	

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

# Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

14774 Woodbine Ave., Gormley, ON LOH 1G0

**DEBTOR 7: JPII** 

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$300,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

November 5,2017

#### **<u>1. PROMISE TO PAY AND INTEREST</u>**

For value received, Jubilee Property Investments Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 11-280 West Beaver Creek, Richmond Hill, ON L4B 3B1 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Three Hundred Thousand Four Hundred Fifty Dollars and Zero Cents (\$300,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 6.00% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

#### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of December 2017 and up to and including the 15<sup>th</sup> day of November 2022 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	December 15, 2017	November 15, 2022	\$3,340.55
1	November 15, 2022	November 15, 2022	\$172,791.32

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

#### **3. ACCELERATION**

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure; delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

#### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

#### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Jubilee Property Investments Ind	r
N Las	
BY:	
Name: John Gerge Title: President	k l
Title: President	·

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BY:	 www.co.co.co.co.co.co.co.co.co.co.co.co.co.	 	
Name:			
Title:			

# **General Security Agreement**

Customer: Jubilee Property Investments Inc.

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 cwbmaxium.com November 5, 2017

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEGTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter beforging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or Interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third partles. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any Investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of:

   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreclation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- you pledge, encumber, mortgage or otherwise create or permit the continued (i) existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- () you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- any other event occurs which causes us in good faith, to deem ourselves insecure, or (m) to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations In full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- seize and possess the Collateral; (a)
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral:
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You knewcably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### **19. DEALING WITH SECURITY INTEREST**

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENCUMBRANCES

We or the Receiver may pay any encombrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured Interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

	1	
Jubilee Prop	erty investments inc.	
ву: <u>(</u> )	SOM	
Name: V -	John Gerges	
Title:	President	

#### Address: 11-280 West Beaver Creek, Richmond Hill, ON L4B 3B1 Security Agreement

#### PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### DEFINITIONS 22

in this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party bereto.

#### NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and If so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTIRE AGREEMENT**

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY:

Name:

Title:

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

11-280 West Beaver Creek, Richmond Hill, ON L4B 3B1

## **General Security Agreement**

Customer: Resident Medical Group Inc.

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 cwbmaxium.com

November 5, 2017

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Use Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

(NVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

**LIFE INSURANCE** - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing. Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act*, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that Indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingied with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement,

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise,

#### 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:
   (b) as the denominator, the aggregate sum of all bank charges and all principal

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to;

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Resident	Medical Group Inc.
BY:	Salestager
Name:	Sally Gerges
Title:	President

### Address: 14774 Woodbine Ave., Gormely, ON LOH 1G0 Security Agreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement In writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY: Name:

Title:

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

14774 Woodbine Ave., Gormely, ON L0H 1G0

## **General Security Agreement**

Customer: Sally G. Gerges

Date:

Richmond Hill, Ontario 14B 3K6 www.maxium.net

30 Vogell Road, Suite 1

November 5,2017

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal lees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of anylease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

UFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, montgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our passession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### **11. REPRESENTATIONS AND WARRANTIES**

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) {the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default");

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

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- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You intervocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

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We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be rinterest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You walve any right you may have to receive a copy of any financing statement, yel/ilcation statement, or similar document we register

## WITNESS

AA1114E22

\_\_\_\_\_

Address: 14774 Woodbine Ave., Gormley, ON LOH 1G0

## or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

G. Gerges

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

14774 Woodbine Ave., Gormley, ON LOH 1G0

## General Security Agreement

Customer: John Gerges

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

Jovember 5.20

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of anylease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monles and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subskillaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the Industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAKIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time,

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

Address: 14774 Woodbine Ave., Gormley, ON LOH 1G0

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of selzure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

John Gerges

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

14774 Woodbine Ave., Gormley, ON LOH 1G0

## **General Security Agreement**

Customer: Selvia G. Gerges

Date:

November 5,2017

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DERNITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Ufe Insurance (all as defined herein), all Intengible and Intellectual property, and all real and Immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

UFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any emounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be neceived and held by you in trust for us.

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If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### Security Agreement

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be comminged with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay allegal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. REEAND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from **all** risk of loss, theft or damage as are customarily Insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary **course** of your business) without our prior written consent. If no location is set out on Schedule **A**, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral In good repair and working condition;

## Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default");

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, dobt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was fake in any material
- respect when made, or becomes false; (g) anyone takes possession of or applies to any court for possession of the Colateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you de, or, if you are a
  partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you'n our favour;
- (k) you loar any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 18, REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) In the case of Life tosurance, exercise any options available to you under the Life insurance;

- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law,

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be rinterest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You admowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

#### Address: 14774 Woodbine Ave., Gormley, ON LOH 1G0

#### or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any charge in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warrantles, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

This Agreement shell be governed by and construed in accordance with the laws of the Province of Ontario.

## SCHEDULE A

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## DEPOSITS AND CREDIT BALANCES

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Unlimited

## INVESTMENT PROPERTY

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

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## 14774 Woodbine Ave., Gormley, ON LOH 1G0

## **DEBTOR 8: MMPI**

#### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,590,450.00 PRINCIPAL CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

#### **1. PROMISE TO PAY AND INTEREST**

For value received, Maple Medi Pharma Inc. (referred to In this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 10-2535 Major MacKenzie Drive, Vaughan, ON L6A 1C6 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of One Million Five Hundred Ninety Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,590,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 6.15% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

#### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of July 2018 and up to and including the 1<sup>st</sup> day of June 2023 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of instalments	Date From (Inclusive)	Date To (inclusive)	Amount of Each Instalment
60	July 1, 2018	June 1, 2023	\$17,783.29
1	June 1, 2023	June 1, 2023	\$916,540.04

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

#### **3. ACCELERATION**

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

### 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

#### 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant solent rédigés et signés en anglais.

#### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and Interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignce all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.  $\sim$ 

Maple Medi Pharma Inc.	ma Inc.		
BY:	MX S	(MA)	
Name: CHUN-HO CHAN Title: PREJIDENT	N-HO CHAN IDENT	- HO CHAN DENT	
ВҮ:			
Name: Title:			

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LUV9	Maxium	Financial	Inc.

## General Security Agreement

Customer: Maple Medi Pharma Inc.

Date:

Richmond Hill, Ontario L4B 3K6 cwbmaxium.com

30 Vogell Road, Suite 1

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of anylease.

**INVENTIORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affikates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

**UFE INSURANCE** - the life insurance policy or proticies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, montgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTIMENT PROPERTY

if any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities Intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:
   (b) as the denominator, the aggregate sum of all bank charges and all principal

and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance tease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral:
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Maple Me	di Pharma Inc.	Ø
BY:	$\phi$	ARS
Name:	CMUN-	MO CHAN
Title:	_ PRES	IDENT

#### Address: 10-2535 Major MacKenzie Drive, Vaughan, ON L6A 1C6 Security Agreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY:

Name: Title:

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

10-2535 Major MacKenzie Drive, Vaughan, ON L6A 1C6

## **General Security Agreement**

Customer: John Gerges

Date:

Richmond Hill, Ontario L4B 3K6 www.maxium.net

30 Vogell Road, Suite 1

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease,

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES ~ all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securitles intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "**Proceeds**"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collatera) from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with slimilar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### **14. NEGATIVE COVENANTS**

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16, REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Coflateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life insurance, exercise any options available to you under the Life insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you for thwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

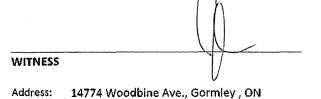
In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register



or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and If so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any Judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

John Gerges

## DEPOSITS AND CREDIT BALANCES

## Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

## 14774 Woodbine Ave., Gormley , ON

## **General Security Agreement**

Customer: Chun-Ho Chan

Date:

Richmond Hill, Ontario L4B 3K6 www.maxium.net

30 Vogell Road, Suite 1

mai

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND UABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Galances, investment Property, Life insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been feased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and dear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### **11. REPRESENTATIONS AND WARRANTIES**

#### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

#### You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

## You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be walved by us in writing. Any walver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

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We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statempt, verification statement, or similar document we register

WITNESS

	L
2 Scott Brown Stree	t, Markham, ON L6E 1V9

Address:

or that we may receive by way of confirmation of a security registration in respect of this Agreement or
any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You admowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Chun-Ho Chan

## SCHEDULE A

\$

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

2 Scott Brown Street, Markham, ON L6E 1V9

**DEBTOR 9: RHP** 

## 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-2142 Fax: (866)-797-8488

#### AMOUNT: \$953,597.50

### DATED August 28th. 2015

FOR VALUE RECEIVED, the undersigned (the "Borrower"), jointly and severally (if more than one), hereby promises to pay to or to the order of ELEMENT FINANCIAL CORPORATION (the "Lender"), at 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 (or to such other person or at such other place as the Lender may from time to time in writing direct), the principal sum of Nine Hundred, Fifty-Three Thousand, Five Hundred, Ninety-Seven Dollars, Fifty Cents (\$953,597.50) (the "Principal Sum") together with interest at a fixed rate of 6.25% per annum, compounded monthly and accruing in arrears, in 60 consecutive blended monthly installments of principal and interest , in the amounts and at the times set out in the schedule of installments below.

NO. OF MONTHLY PAYMENTS	MONTHLY INSTALLMENT PAYMENTS	COMMENCING (MM/DD/YYYY)
59	\$10,714.34	10/01/2015
1	561,600.52	09/01/2020

All payments hereunder shall be made payable to the Lender, unless otherwise directed in writing by the Lender. This Note cannot be prepaid except with the written consent of the Lender and on terms and conditions that the Lender stipulates. Any overdue payment of principal or interest shall bear interest before and after default, demand and judgment at a rate of interest per annum of 18% from the due date, calculated and compounded monthly in arrears.

If the Borrower fails to pay any amount when due under the terms of this Note or any other event of default occurs under any security agreement executed by the Borrower in favour of the Lender (the "Agreement") securing the obligations of the Borrower to the Lender under, among other things this Note (each, a "Default"), the Lender may, in addition to any right or remedy set out in any security (including the Agreement), declare all amounts then due under this Note and all unpaid and future payments under this Note to be immediately due and payable, without any additional notice or demand of any kind, and in such event the Borrower shall forthwith pay to the Lender all such amounts then due under this Note and, as a genuine pre-estimate of liquidated damages for loss of bargain and not as a penalty, the present value of all unpaid and future payments discounted from their respective due dates at a discount rate equal to three percent (3%) per annum.

Payments received by the Lender shall be applied first in payment of unpaid accrued interest and the balance, if any, to the reduction of the Principal Sum. The Borrower waives diligence, presentment, demand, notice, protest, and notice of protest and notice of dishonour. The Borrower shall pay all costs arising or incurred by the Lender as a result of a Default, including reasonable legal fees on a solicitor and his own client basis. This Note has been written in the English language at the express request of the parties. Le présent billet a été rédigé en langue anglaise à la demande expresse des parties. The Lender can assign this Note to any third party without notice to or consent of the Borrower. The Borrower may not assign this Note without the Lender's prior written consent. This Note shall be governed by and construed in accordance with the laws of the Province of Ontario.

On the sale or other disposition of (a) shares in the capital of the Borrower, or (b) assets of the Borrower (other than the sale of used equipment in the normal course of business of the Borrower), the Borrower shall prepay outstanding credit hereunder in the amount of the proceeds of such disposition (net of the transaction cost of such disposition).

The Lender is hereby irrevocably authorized and directed to pay the Principal Sum as instructed below and the Borrower acknowledges and confirms that the Lender making such payment as directed, the Borrower shall become indebted to the Lender for the Principal Sum and interest thereon pursuant to the terms and conditions hereof: (Check A or B):

A. \$952,750.00 to be paid to Goldstein & Grubner Barristers & Solicitors "In Trust" and \$847.50 to be paid to Element Financial Corporation:

B. To the Lender, as repayment of the principal and accrued interest owed under the following promissory notes:

I hereby authorize Lender to debit my bank account noted on the attached void cheque ("Borrower's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lender under the terms of this Promissory Note, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lender with 30 days' prior written notice. I understand that I may contact my financial institution or visit <u>www.cdnpay.ca</u> to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Borrower and Lender and has no effect whatsoever on any other provision of this Promissory Note. Borrower has certain recourse rights if any debit from the Borrower's Account does not comply with the pre-authorized payment authorization granted by Borrower in this Promissory Note. For example, Borrower has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Borrower in this Promissory Note. To obtain more information on Borrower's recourse rights, Borrower may contact his/her/its financial institution or visit www.cdnpay.ca. Lender may assign to an assignee (the "Assignee") the pre-authorized payment authorization granted

# element

## PROMISSORY NOTE BAO50178D-001

#### 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-2142 Fax: (866)-797-8488

by Borrower in this Promissory Note provided that Lender provides Borrower with written notice of the full details of such assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Monthly Installment Payments or other amounts due under this Promissory Note from the Borrower's Account.

ATTACH VOID CHEQUE	
BLESS RIVER PHARMA INC. (Borrower) I have authority to bind the corporation	ELEMENT FINANCIAL CORPORATION (Lender)
Signature: X	Signature:
Name: John Gerges	Name: Ben Wyett
Title: Director	Title: Vice-President, Operations
	CERTIFICATE OF OFFICER
	ESS RIVER PHARMA INC. (the "Corporation") hereby certifies to Element

Financial Corporation, its successors and assigns, that the foregoing Promissory Note and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

BLESS RIVER PHARMA INC.		
Signature: X	Nelt	
Name: John Gerges	а 	

Title: Director



## GENERAL SECURITY AGREEMENT

### 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 151 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

#### THIS AGREEMENT made as of this 26day of August, 2015.

BY: BLESS RIVER PHARMA INC. a corporation incorporated under the laws of ON (hereinafter called the "Debtor")

ADDRESS: 2086 Lawrence Ave. W #182, Toronto, Ontario M9N 3Z9

ISSUED IN FAVOUR OF: ELEMENT FINANCIAL CORPORATION ("ELEMENT")

WHEREAS Element has agreed to extend credit to the Debtor

AND WHEREAS the Deptor has agreed to grant, as general and continuing security for the payment and performance of all its obligations to Element, the security interest and assignment, mortgage and charge granted herein;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements here in contained the debtor agrees with Element as follows:

#### ARTICLE ONE - INTERPRETATION

#### 1.01 Interpretation

- In this Agreement, unless something in the subject matter or context is inconsistent therewith,
  - "Agreement" means this General Security Agreement and all schedules to this Agreement, in each case as they may be amended or supplemented from time to time, and the terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement as a whole and not to any particular Article, Section or other portion hereof;
  - (b) "Collateral" has the meaning attributed thereto in Section 2.01. and any reference to "Collateral" shall be deemed a reference to "Collateral" or any part thereof;
  - "Obligations" mean all obligations of the Debtor to ELEMENT (⊂) including, without limiting the generality of the foregoing, all debts, liabilities, and indebtedness, present or future, direct or indirect, absolute or contingent, matured or not, whenever and howsoever incurred, in any currency at any time owing by the Debtor to ELEMENT or remaining unpaid by the Debtor to ELEMENT and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether arising from dealings between ELEMENT and the Debtor or from other dealings or proceedings by which ELEMENT may be or become in any manner whatsoever a creditor of the Debtor and wherever incurred and whether incurred by the Debtor alone or with another or others and whether as principal or surety, including all interest. commissions, and other costs, charges and expenses;
  - "Receiver" means any of a receiver or receiver and manager (d) appointed by ELEMENT pursuant to this Agreement;
  - (e)
  - "Guarantor" means any guarantor of the Obligations; and the terms "accession", "chattel paper", "documents of title", "goods", "instruments", "intangibles", "money", "proceeds" (f) and "securities" whenever used herein shall have the meaning given to those terms in the Personal Property Security Act (Ontario), as now enacted or as the same may from time to time be amended, re-enacted or replaced.
- The division of this Agreement into Articles and Sections and the 2. insertion of headings are for convenience or reference only and shall not affect the construction or interpretation of this Agreement. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Agreement.
- In this Agreement words importing the singular number only shall include the plural and vice versa, words importing any gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

#### ARTICLE TWO - GRANT OF SECURITY

2.01 Security

As general and continuing security for the payment and performance of the Obligations, the Dobtor hereby grants to ELEMENT a security interest in the present and future undertaking and property, both real and personal, and wherever located, of the Debtor (collectively, the "Collateral"), and as further general and continuing security for the payment and performance of the Obligations, the Debtor hereby assigns the Collateral to ELEMENT and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to ELEMENT. Without limiting the generality of the foregoing, the Collateral shall include all right, title and interest that the Debtor now has or may hereafter have, be possessed of, or be entitled to in all property of the following kinds:

- (a) Accounts receivable: all debts, accounts, claims and chooses in action which are now or which may hereafter become due, owing or accruing due to the Debtor (collectively, the "Receivables"};
- (b) Inventory: all inventory or whatever kind and wherever situate, including, without limiting the generality of the foregoing, all goods held for sale or lease or furnished or to be furnished under contracts for service or used or consumed in the business of the Debtor (collectively, the "Inventory");
- Equipment: all machinery, equipment, fixtures, furniture. (¢) plant, vehicles and other tangible personal property which is not inventory (collectively, the "Equipment"); Chattel Paper; all chattel paper;
- (d)
- Documents of Title: all warehouse receipts, bills of lading and other documents of title, whether negotiable or not; (e)
- (f) Securities and Instruments: all shares, stock, warrants, bonds, debentures, debenture stock and other securities and all instruments;
- Intangibles: all intangibles not described in Section 2.01(a) (2) including, without limiting the generality of the foregoing, all goodwill, patents, trademarks, copyrights and other intellectual property;
- Money: all coins or bills or other medium of exchange adopted {h} for use as part of the currency of Canada or of any foreign government;
- Books, Records, Etc.: all books, papers, accounts, invoices, (i) documents and other records in any form evidencing or relating to any of the property described in Sections 2.01(a) to (h) inclusive, and all contracts, securities, instruments and other rights and benefits in respect thereof lincluding without limitation, patient lists and records to the extent that the Debtor is a medical practitioner or dentist; Substitutions, Etc.: all replacements of, substitutions for and
- increases, additions and accessions to any of the property described in Sections 2.01(a) to (i) inclusive;
- Proceeds: all proceeds to the property described in Sections (k)2.01(a) to (i) inclusive including, without limiting the generality of the foregoing, all personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for the loss of or damage to such property; and
- (1)All property described in schedule(s) now or hereafter attached hereto.
- 2.02 In addition, the Debtor hereby charges in favour of ELEMENT, as and by way of a floating charge, its undertaking and all property and assets, real and personal, movable or immovable, of whatsoever nature and kind, both present and future and every interest therein which the Debtor now has or hereafter acquires jother than the property and assets hereby effectively assigned or subjected to the specific mortgage and charge and subject to the exceptions hereinafter contained);

# element

## GENERAL SECURITY AGREEMENT

#### 4 Robert Speck Parkway. Suite 900, Mississauga, Ontario, L4Z 1S1 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

- 2.03 Notwithstanding anything hereinbefore contained, the security interest, assignment, mortgage and charge granted hereby shall not extend to, and the Collateral shall not include;
  - (a) any consumer goods;
  - (b) the last day of the term of any lease or any agreement for lease of real property now held or hereafter acquired by the Debtor, but should ELEMENT enforce the said security interest, assignment, mortgage and charge, the Debtor shall stand possessed of such last day and shall hold it in trust for ELEMENT and shall assign the same as ELEMENT shall direct, or
  - any agreement, right franchise, license or permit (the "contractual right") to which the Debtor is a part or of which the Debtor has the benefit. To the extent that the creation of the security interest, assignment, mortgage and charge therein would constitute a breach of the terms of or permit any person to terminate the contractual rights, but the Debtor shall hold its interest therein in trust for ELEMENT and shall assign such contractual rights to ELEMENT forthwith upon obtaining the consent of the other party thereto or as directed by ELEMENT, use all commercially reasonable efforts to obtain any consent required to permit any contractual rights to be subjected to the security interest, assignment, mortgage and charge granted hereby.
- 2.64 Property in and title to any item of Collateral supplied to the Debtor by ELEMENT, or the acquisition of which has been financed by ELEMENT shall remain in ELEMENT until the full purchase price of such item, together with interest, financing charges and other charges in respect thereof from time to time in effect, shall have been paid in full. Receipt by ELEMENT of any instrument of or endorsed by the Debtor shall not constitute payment until ELEMENT receives in cash the full amount thereof. Risk of loss of each item of Collateral supplied by ELEMENT shall pass to the Debtor upon delivery thereof to the Debtor.

## ARTICLES THREE - GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE DEBTOR

## 3.01 Representations and Warranties

- The Debtor hereby represents and warrants to ELEMENT that:
  - (a) the Debtor, if a corporation, is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation; the Debtor has the power, corporate or otherwise, to enter into this Agreement; this Agreement has been duly authorized by all necessary action, corporate or otherwise, on the part of the Debtor; this Agreement constitutes a legal and valid agreement binding upon the Debtor enforceable in accordance with its terms; the making and performance of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Debtor pursuant to the articles, by-laws or other constating documents of the Debtor or any agreement, indenture or other instrument to which the Debtor is a party by or which the Debtor or any of its property may be bound or affected;
  - (b) all financial information provided by the Debtor to ELEMENT is true, correct and complete; all financial statements of the Debtor have been prepared in accordance with Canadian generally accepted accounting principles consistently applied; there has been no material adverse change in the Debtor's financial condition since the date of the most recent financial statements provided to ELEMENT;
  - (c) except as otherwise provided herein or disclosed in a schedule hereto, all of the Collateral is the sole property of the Debtor free from any liens, charges, security interests, encumbrances or any rights of others which rank prior to or pari passu with the security interest, assignment, mortgage and charge granted nereby, and
  - (d) the Debtor's chief executive office, the location of the office where it keeps its records respecting the Receivables and the location of all other tangible Collateral (other than Inventory in transit) is that given in Section 7.06 of this Agreement, except as otherwise provided herein or disclosed in any schedule(s) hereto.
- 3.02 Covenants

- (a) it shall ensure that the representations and warranties set forth in Section 3.01 are true and correct at all times;
- (b) it shall maintain, use and operate the Collateral and carry on and conduct its business in a lawful and business-like manner;
- (c) it shall not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of ELEMENT;
- (d) it shall defend the Collateral against all claims and comands respecting the Collateral made by all persons at any time and except as otherwise provided herein, shall keep the Collateral free and clear of all security interests, mortgages, charges liens and other encumbrances or interests.
- (c) it shall not change its chief executive office or the location of the office where it keeps its records respecting the Receivables, or move any other tangible Collateral (other than Inventory in transit) from the locations specified in Section 3.01(d), without the prior written consent of ELEMENT;
- (f) it shall pay all ronts, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall deliver to ELEMENT, when required, the receipts and vouchers establishing such payment;
- (g) it shall keep proper books of account in accordance with sound accounting practice, shall furnish to ELEMENT any financial and personal information of the Debtor and any Guarantor as ELEMENT may from time to time require and it shall permit ELEMENT or its authorized agents at any time at the expense of the Debtor to examine the books of account and other financiat records and to make copies thereof and take extracts therefrom;
- (h) it shall from time to time forthwith at the request of ELEMENT furnish to ELEMENT in writing all information required relating to the Collateral (including without limitation, descriptions of all motor vehicles and other "serial number" goods), and ELEMENT shall be entitled from time to time at any reasonable time to inspect the Collateral and make copies of all information relating to the Collateral and for such purposes ELEMENT shall have access to all premises occupied by the Debtor to examine the books of account and other financial records and to make copies thereof and take extracts therefrom;
- (i) it shall not change its name or, if the Debtor is a corporation, shall not amalgamate with any other corporation without first giving notice to ELEMENT of its new name and the names of all amalgamating corporations and the date when such new name or amalgamation is to become effective; and
- (j) it shall pay to ELEMENT forthwith upon demand all reasonable costs and expenses (including, without limiting the generality of the foregoing, all legal, Receiver's and accounting fees and expenses) incurred by or on behalf of ELEMENT in connection with the preparation, execution, registration or amendment of this Agreement, the perfection or preservation of the security interest, assignment, mortgage and charge granted hereby and the carrying out of any of the provisions of this Agreement including, without limiting the generality of the foregoing, enforcing by legal process or otherwise the remedies provided herein; and all such costs and expenses shall be added to and form part of the Obligations secured hereunder.
- 3.03 The Debtor will keep all Equipment forming a part of the Collateral in good working order and condition, reasonable wear and tear expected, and ELEMENT may, whenever it deems it to be necessary, either in person or by agent, inspect any such Equipment and make such repairs thereto as it deems are necessary and the cost of such inspection and repairs shall be payable by the Debtor to ELEMENT upon demand.
- 3.04 If the Collateral should at any time hereafter include securities, instruments, chattel paper and negotiable documents of title, the Debtor will, if requested by ELEMENT, immediately deliver possession of such securities, instruments, chattel paper and negotiable documents of title to ELEMENT and, if requested by ELEMENT, will cause such securities included in the Collateral to be registered in ELEMENT's name so that ELEMENT may appear of record as the sole owner of such securities. Until the occurrence of an Event of Default, the Debtor shall be entitled to receive all distributions paid in respect of any securities included in the Collateral, shall be entitled to exercise all voting rights with respect to such securities and ELEMENT will deliver to the Debtor or to a person designated by the Debtor upon written request and upon receipt of payment of ELEMENT's

The Debtor covenants with ELEMENT that:

# 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 151 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

- expenses in connection therewith, directions with respect to such distributions and a proxy to vote such securities. The Debtor waives all right to receive any such distribution after the occurrence of an Event of Default. The Debtor agrees that no proxy issued by ELEMENT to the Debtor or its order as aforesaid shall be effective from and after the occurrence of an Event of Default, and upon the occurrence of an Event of Default the Debtor shall immediately surrender any such proxy to ELEMENT.
- 3.05 All agreements, representations, warranties and covenants made by the Debtor in this Agreement are material, will be considered to have been relied on by ELE/AENT and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of ELE/AENT and any disposition or payment of the Obligations until repayment and performance in full of the Obligations and termination of air rights of the Debtor that, if exercised, would result in the existence of Obligations.

#### ARTICLE FOUR - INSURANCE

# 4.01 INSURANCE

The Debtor shall obtain and maintain, at its own expense, insurance against loss or damage to the Collateral including, without limiting the generality of the foregoing, loss by fire (including so-called extended coverage), theft, collision and such other risks of loss as are customarily insured against on this type of Collateral in any amount not less than the full replacement value thereof, in such form and with such insurers as shall be reasonably satisfactory to ELEMENT. If any such policies of insurance contain a co-insurance clause, the Debtor shall either cause any such co-insurance clause to be waived or maintain at all times a sufficient amount of insurance to meet the requirements of any such co-insurance clause so as to prevent the Debtor from becoming a co-insurer under the terms of any such policy. All such policies shall name ELEMENT as an additional insured and as a first loss payee thereof, as ELEMENT's interests may appear, and shall contain a clause requiring the insurer to give ELEMENT at least 30 days' prior written notice of any alteration in the terms of such policy or of the cancellation or intended cancellation thereof. At ELEMENT's request, the Debtor shall furnish ELEMENT with a copy of any policy of insurance and certificate of insurance or other evidence satisfactory to ELEMENT that such insurance coverage is in effect, provided, however, that ELEMENT shall be under no duty to either ascertain the existence of or to examine such insurance policy or to advise the Debtor in the event such insurance coverage shall not comply with the requirements hereof .. The Debtor shall give ELEMENT notice of any damage to, or loss of, the Collateral forthwith upon the occurrence of any such damage or loss. Should the Debtor fail to make any payment or perform any other obligation provided in this Section, ELEMENT shall have the right, but not the obligation, without notice to or demand upon the Debtor and without releasing the Debtor from any obligation hereunder or waiving any rights to enforcement of this Agreement, to perform any or all of such obligations. The amount of all such payments made and all costs, fees and expenses incurred by ELEMENT in performing such obligations shall be immediately due and payable to the Debtor and, until paid, such amounts shail be added to and form part of the Obligations secured hereunder. The Debtor will, at its expense, make all proofs of loss and take all other steps necessary to recover insurance benefits unless advised in writing by ELEMENT that ELEMENT desires so to do at the Debtor's expense. If the Debtor fails to recover the insurance benefits within a reasonable time or if ELEMENT notifies the Debtor in writing of ELEMENT's desire to recover such insurance benefits directly, then the Debtor hereby appoints ELEMENT, with full power of substitution, as the Debtor's lawful attorney for all such purposes, including the execution and endorsement of all documents, cheques or drafts for loss or damage under any applicable insurance policies. Proceeds of the insurance shall at the option of ELEMENT be disbursed by ELEMENT against satisfactory invoices for repair or replacement of the Collateral, or be retained by ELEMENT for application against the Obligations, and if the proceeds received are less than the loss value of the Collateral lost, the Debtor shall immediately pay to ELEMENT the amount of such deficiency. The total or partial loss of the Collateral or its use or possession shall not relieve the Debtor from its Obligations.

# ARTICLE FIVE - DEALING WITH COLLATERAL

5.01 Dealing with Collateral by the Debtor

The Debtor shall not sell, lease or otherwise dispose of any of the Collateral without the prior written consent of ELEMENT, except that the Debtor may, until an Event of Default occurs, sell or otherwise dispose of items of inventory in the ordinary course of its business so that the purchaser thereof takes title thereto free and clear of the security interest, assignment, mortgage and charge granted hereby and, subject to Section 5.02, collect Receivables in the ordinary course of its business.

#### 5.02 Notification of Account Debtors

Before or after an Event of Default occurs, ELEMENT may give notice of this Agreement and the security granted hereby to any account debtors of the Debtor or to any other person liable to the Debtor and, after the occurrence of an Event of Default, may give notice to any such account debtors or other person to make all further payments to ELEMENT. Any payments or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor whether before or after any notice is given by ELEMENT shall be held by the Debtor in trust for ELEMENT and paid over to ELEMENT on request.

#### 5.03 Application of Funds

Except where the Debtor, when no Event of Default has occurred, so directs in writing at the time of payment, all money collected or received by ELEMENT in respect of the Collateral may be applied on account of such parts of the Obligations as ELEMENT in its sole discretion may determine, or may be held unappropriated in a collateral account, or in the discretion of ELEMENT may be released to the Debtor, all without prejudice to ELEMENT's rights against the Debtor.

#### ARTICLE SIX - DEFAULT AND REMEDIES

#### 6.01 Events of Default

The Debtor shall be in default under this Agreement upon the occurrence of any of the following events (herein referred to as an "Event of Default"):

- (a) the Debtor fails to pay to ELEMENT all or any part of the Obligations when due;
- (b) the Debtor fails to observe or perform any covenant or other obligation of the Debtor contained in this Agreement (other than a covenant or obligation specifically dealt with elsewhere in this Section 6.01);
- (c) any representation or warranty made by the Debtor or any Guarantor to ELEMENT in connection with the entering into of this Agreement or any statement in any document, agreement or certificate furnished at any time to ELEMENT in connection herewith proves to have been untrue, incorrect or misleading when made or furnished;
- (d) the Debtor, any Guarantor or any affiliate thereof is in default under any other agreement or obligation now existing or hereinafter entered into with ELEMENT or any affiliate of ELEMENT whether any of Debtor, such Guarantor or such affiliate is bound alone or with others;
- the Debtor or any Guarantor ceases or threatens to cease to carry on the business currently being carried on by it or disposes of all or substantially all of its property;
- (f) the Debtor or any Guarantor becomes insolvent (within the meaning of the Bankruptcy and Insolvency Act) or commits or threatens to commit an act of bankruptcy or if a petition in bankruptcy, proposal, arrangement or reorganization under the Bankruptcy and Insolvency Act, Winding-up and Restructuring Act or Companies' Creditors Arrangement Act is filed by or against the Debtor or any Guarantor or if a trustee, receiver or receiver-manager or other similar official is appointed for Debtor or any Guarantor or a substantial part of Debtor's or any Guarantor's property;
- (g) if Debtor is a corporation, there is any change in its effective control without ELEMENT's prior written consent;
- (h) the Collateral or any part thereof is seized, forfeited or confiscated or otherwise attached by anyone pursuant to any legal process or other means;
- an encumbrancer or any other party takes possession of a substantial part of the Debtor's or any Guarantor's property;
- the Debtor challenges or threatens to challenge the validity or enforceability of this Agreement or the security interest, assignment, mortgage or charge granted by this Agreement;
- (k) ELEMENT believes in good faith that the payment of the Obligations or the performance or observance of any covenant herein is impaired or that the Collateral is in danger of being lost, damaged or confiscated, or of being encumbered by the

# GENERAL SECURITY AGREEMENT

# 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 1S1 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

Debtor or seized or otherwise attached by anyone pursuant to any legal process or otherwise, or

- (I) Debtor or any Guarantor dies or becomes mentally incompetent, if an individual, or is dissolved, or amalgamated or wound up if Debtor or such Guarantor is a corporation.
- 6.02 Remedies
  - Upon the occurrence of any Event of Default and at any time thereafter, ELEMENT shall have, in addition to any right or remedy provided by taw, the rights and remedies set out below, all of which rights and remedies shall be enforceable successively, concurrently and/or cumulatively and all of which may be exercised by ELEMENT directly or through agents or nominees:
    - (a) any or all of the Obligations shall at the option of ELEMENT become immediately due and payable or be subject to immediate performance, as the case may be, without further demand or notice, both of which are expressly waived; and the baligations, if any of ELEMENT to make further advances to the Debtor shall cease; and any or all security granted hereby shall, at the option of ELEMENT, become immediately enforceable;
    - (b) ELEMENT may appoint any person to be a Receiver of the Debtor or any or all of the Collateral and may remove any Receiver so appointed and appoint another if ELEMENT so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all the powers as may be provided for in the instrument of appointment or any supplemental instrument, as well as all the powers of ELEMENT hereunder, and in addition, shall have the power to carry on the business of the Debtor;
    - (c) ELEMENT may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to ELEMENT at such place or places as may be specified by ELEMENT;
    - (d) ELEMENT may carry on or concur in the carrying on of all or any part of the business of the Debtor;
    - (e) ELEMENT may enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law;
    - (f) ELEMENT may self, lease or otherwise dispose of the Collateral at public auction, by private tender or by private sale either for cash or upon credit upon such terms and conditions as ELEMENT may determine and without notice to the Debtor unless required by law;
    - (g) ELEMENT may retain the Collateral in satisfaction of the Obligations upon notice to the Debtor of its intention to do so in the manner required by law;
    - (h) ELEMENT may apply to a court of competent jurisdiction for the appointment of a receiver or a receiver and manager of the Debtor or of any or all of the Collateral; and
    - (i) ELEMENT may borrow money on the security of the Collateral in priority to the security interest, assignment, mortgage and charge granted by this Agreement for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Collateral.
    - The Debtor further agrees with ELEMENT that:
       (a) ELEMENT shall not be liable or responsible for any failure to seize, collect, realize, sell or obtain payment of the Collateral and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment of the Collateral or for the purpose of preserving any rights of ELEMENT, the Debtor or any other person in respect of the Collateral;
    - (b) ELEMENT may grant extensions of time, take, abstain from taking and perfecting and give up security, accept compositions, grant releases and discharges, release any part of the Collateral and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as ELEMENT may see fit without prejudice to the liability of the Debtor to ELEMENT or ELEMENT's rights hereunder;
    - (c) To facilitate the realization of the Collateral, ELEMENT may enter upon, occupy and use all or any of the premises owned or occupied by the Debtor and use all or any of the Collateral and other personal property of the Debtor for such time as ELEMENT requires, free of charge, and ELEMENT shall not be liable to the Debtor for any neglect in so doing or in respect of any rent. charges, depreciation or damages in connection with such actions;

- (d) ELEMENT may discharge any claim, lien, mortgage, charge, security interest, encumbrance or any rights of others that may exist or be threatened against the Collateral, and in each such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations hereby secured; and
- Any process of realization of the Collateral may be applied by (e) ELEMENT to the payment of reasonable costs, charges and expenses (including without limiting the generality of the foregoing, legal, Receiver and accounting fees and expenses; incurred in connection with the exercise of any of the rights. powers and remedies granted under this Agreement and any balance of such proceeds shall be applied by ELEMENT to payment of the Obligations in such order as ELEMENT may see fit; if there is any surplus remaining, it shall be paid to any person having a claim thereto in priority to the Debtor of whom ELEMENT has knowledge and any balance remaining shall be paid to the Debtor; if the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the aforesaid costs, charges and expenses, the Debtor shall be liable to  $\rho a_{\vec{\gamma}}$ any deficiency to ELEMENT forthwith on demand.
- If Debtor is a medical practitioner, dentist or pharmacist, then and only then, Debtor further agrees, in addition to and not in lieu of any of the foregoing;
  - (a) to deliver the Books and Records described in Section 2.01(i) upon the request of ELEMENT, to an individual designated by ELEMENT who is qualified and licensed to carry on his/her Practice (as defined below); and
  - (b) not to carry on a Practice or attempt to contrive to carry on his/her Practice, directly or indirectly, individually or in partnership or for a corporation as principal, agent, director or officer or in any other manner whatsoever or permit his/her name to be used or employed in any Practice, without the written consent of ELEMENT, for:
    - a period of time of three years (or, if such period of time is not permitted by applicable law, the longest period of time that is permitted by applicable law), from the date of the Event of Default, and
    - ii. a geographic area that is within a 5 kilometre radius (or, if such geographic area is not permitted by applicable law, the largest geographical area that is permitted by applicable law) of the premises at which the Debtor's Practice was carried out prior to the Event of Default.
    - For a medical practitioner or dentist, "Practice" means practicing the prevention, diagnosis, treatment of medical diseases and injuries and malfunctions of the teeth, jaws and mouth, and for a pharmacist, "Practice" means the preparation and dispensing of pharmaceuticals.

ARTICLE SEVEN + GENERAL

- 7.01 Benefit of the Agreement
  - This Agreement shall be binding upon the heirs, executors, administrators, successors and permitted assigns of the Debtor and shall benefit the successors and assigns of ELEMENT. If there is more than one Debtor named herein, the term "Debtor" shall mean all and each of them, and their obligations under this Agreement shall be joint and several and the Obligations shall include those of all or any one of them. No Debtor shall have any right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations unless and until all of the Obligations have been paid or performed in full.

7.02 Entire Agreement

This Agreement, including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Debtor and ELEMENT with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between ELEMENT and the Debtor except as expressly set forth herein.

7.03 No Waiver

No delay or failure by ELEMENT in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

7.04 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceablity

# GENERAL SECURITY AGREEMENT

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shalt attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

7.05 Further Assistance

The Debtor will from time to time forthwith at the request of SLEMENT and at the expense of the Debtor, make, do, execute, scknowledge and deliver such financing statements, financing change statements, schedules and further assignments, transfers, documents, acts, matters, things and assurances as may be reasonably equired by ELEMENT to effectively carry out the full intent and meaning of this Agreement or to better evidence, perfect and preserve the security interest, assignment, mortgage and charge granted hereby. The Debtor hereby irrevocably constitutes and appoints ELEMENT, or any Receiver appointed by a court of competent jurisdiction or ELEMENT, the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever ELEMENT or any such Receiver may consider it to be necessary or desirable, and the Debtor agrees to ratify and confirm all such acts of the said actorney lawfully done. The Debtor shall pay all casts for searches and filings in connection with the registration, perfection and continuation of the security granted hereunder

7.06 Notices

Any demand, notice or other communication to be given in connection with rink Agreement shall be given to writing and may be given by personal delivery, registered mail or by facsimile mansmission, addresses to the recipient as follows:

10 To the Debtor:
 BLESS RIVER PHARMA INC.
 2086 Lawrence Ave. W #182.
 Toronto, Ontario M9N 329

Fax No.,

 (d) TO ELEMENT FINANCIAL CORPORATION: Element Financial Corporation 4 Robert Speck Pkwy, Ste 900 Mississauga, ON L4Z 1S1

Fax No.: (888) 772-8129 or such other address, facsimile number or to the attention of such other individual as may be designated by notice by any party to the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third day following the deposit thereof in the mail and, if given by facsimile transmission, on the day of transmittal thereof if given during the normal business hours and on the next business day if given after normal business hours on any day. If the party giving any communication knows or ought reasonably to know of any difficulties with the postal system and might affect the delivery of mail, any such demand, notice or

#### BLESS RIVER PHARMA INC. (DEBTOR) I have authority to bind the corporation

Signature: X	Jel	-
- 2	~ /	
Name: John Gerges	Non-second and a second a	
Title: Director		

other communication shall not be mailed by shall be given by personal delivery or by facsimile transmission.

#### 7.07 Modification

This Agreement may not be amended or modified in any respect except by written instrument signed by all parties. The rights of ELEMENT under this Agreement may be assigned by ELEMENT without the consent of the Debtor, free of any sec-oif, counter-claim of equities between the Debtor and ELEMENT. and the Debtor shall not assert against any assignee of ELEMENT any claim or defence that the Debtor has against ELEMENT. The Debtor may not assign its obligations under this Agreement.

7.08 Additional Continuing Security

This Agreement and the security interest, assignment, mortgage and charge granted hereby are in addition to and not in substitution for any other security now or hereafter held by ELEMENT and this Agreement is a continuing agreement and the security shall remain in full force and effect until discharged by ELEMENT.

7,09 Discharge

The Debtor shall not be discharged from any of the Obligations or from this Agreement except by a release or discharge signed in writing by ELEMENT.

7.10 Governing Law

This Agreement shall, for the purpose of determining the validity and enforceability of ELEMENT's security interest in the Collateral and its remedies upon a default, be governed by and construed in accordance with the laws of the jurisdiction where (i) the Debtor is located with respect to that part of the Collateral that is inventory leased or held for lease to others or Collateral that is an intangible of Collateral that is normally used in more than one jurisdiction; and (ii) the laws of the jurisdiction where the Collateral is located in all other cases. For all other purposes, this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

7.11 Executed Copy

The Debtor acknowledges receipt of a fully executed copy of this Agreement. The Debtor acknowledges its right to receive copies of any registered financing and financing change statements registered under the Personal Property Security Act with respect to transactions contemplated herein and, where permitted by law, hereby waives and renounces such right and exonerates ELEMENT from the obligation to provide such copies or verification statements thereto

7.12 Attachment

The Debtor confirms that value has been given by ELEMENT to the Debtor, that the Debtor has rights in the Collateral (other than afteracquired property) and that the Debtor and ELEMENT have not agreed to postpone the time for attachment of the security interest, assignment, mortgage and charge created by this Agreement to any of the Collateral. The security interest, assignment, mortgage and charge created by this Agreement to the deemed to be effective whether or not the Obligations or any part thereof are owing or in existence before or after or upon the date of this Agreement. Neither the execution of this Agreement nor any advance of funds shall oblige ELEMENT to advance any funds or any additional funds.

# ELEMENT FINANCIAL CORPORATION (ELEMENT)

Signature: Son Shall

Name: Ben Wyett

Title: Vice-President, Operations

# GENERAL SECURITY AGREEMENT

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# CERTIFICATE OF OFFICER

The undersigned, John Gerges Director of BLESS RIVER PHARMA INC. (the "Corporation") hereby certifies to Element Financial Corporation, its successors and assigns, that the foregoing General Security Agreement and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation held on August <u>Le</u>, 2015, which resolution has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

BLESS RIVER PHARMA INC. -Signature: X

Name: John Gerges

Pitte: Director



# GENERAL SECURITY AGREEMENT

#### 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 1S1 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

THIS AGREEMENT made as of this  $\_$   $\stackrel{\sim}{=} \stackrel{\sim}{\leftarrow}$ \_\_\_\_ day of August, 2015

#### BY: John Gerges an individual residing in Ontario (hereinafter called the "Debtor")

ADDRESS: 2086 Lawrence Ave. W #182, Toronto, Ontario M9N 3Z9

ISSUED IN FAVOUR OF: ELEMENT FINANCIAL CORPORATION ("ELEMENT")

WHEREAS the Debtor has agreed to provide a guarantee of the obligations of BLESS RIVER PHARMA INC. Element:

AND WHEREAS the Debtor has agreed to grant, as general and continuing security for the payment and performance of all its obligations to Element, the security interest and assignment, mortgage and charge granted herein:

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants and agreements here in contained the debtor agrees with Element as follows

#### ARTICLE ONE - INTERPRETATION

#### 1 01 Interpretation

- In this Agreement, unless something in the subject matter or context is inconsistent therewith,
  - "Agreement" means this General Security Agreement and all (a) schedules to this Agreement, in each case as they may be amended or supplemented from time to time, and the terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement as a whole and not to any
  - particular Article, Section or other portion hereof; "Collateral" has the meaning attributed thereto in Section 2.01, and any reference to "Collateral" shall be deemed a reference (b) to "Collateral" or any part thereof; "Obligations" mean all obligations of the Debtor to ELEMENT
  - including, without limiting the generality of the foregoing, all debts, liabilities, and indebtedness, present or future, direct or indirect, absolute or contingent, matured or not, whenever and howsoever incurred, in any currency at any time owing by the Debtor to ELEMENT or remaining unpaid by the Debtor to ELEMENT and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether arising from dealings between ELEMENT and the Debtor or from other dealings or proceedings by which ELEMENT may be or become in any manner whatsoever a creditor of the Debtor and wherever incurred and whether incurred by the Debtor alone or with another or others and whether as principal or surety, including all interest, commissions, and other costs, charges and expenses;
  - (d) "Receiver" means any of a receiver or receiver and manager
  - (e)
  - appointed by ELEMENT pursuant to this Agreement; "Guarantor" means any guarantor of the Obligations; and the terms "accession", "chattel paper", "documents of title", "goods", "instruments", "intangibles", "money", "proceeds" and "securities" whenever used herein shall have the meaning given to those terms in the Personal Property Security Act (Ontario), as now enacted or as the same may from time to time be amended, re-enacted or replaced.
- The division of this Agreement into Articles and Sections and the 2. insertion of headings are for convenience or reference only and shall not affect the construction or interpretation of this Agreement. Unless something in the subject matter or context is inconsistent therewith, reference herein to Articles and Sections are to Articles and Sections of this Agreement.
- In this Agreement words importing the singular number only shall 3. include the plural and vice versa, words importing any gender shall include all genders and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

#### ARTICLE TWO - GRANT OF SECURITY

#### 2.01 Security

As general and continuing security for the payment and performance of the Obligations, the Debtor hereby grants to ELEMENT a security interest in the present and future undertaking and property, both real and personal, and wherever located, of the Debtor (collectively, the "Collateral"), and as further general and continuing security for the payment and performance of the Obligations, the Debtor hereby assigns the Collateral to ELEMENT and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to ELEMENT. Without limiting the generality of the foregoing, the Collateral shall include all right, title and interest that the Debtor now has or may hereafter have, be possessed of, or be entitled to in all property of the following kinds:

- (a) Accounts receivable: all debts, accounts, claims and chooses in action which are now or which may hereafter become due. owing or accruing due to the Debtor (collectively, the "Receivables");
- Inventory: all inventory or whatever kind and wherever situate. (b) including, without limiting the generality of the foregoing, all goods held for sale or lease or furnished or to be furnished under contracts for service or used or consumed in the business of the Debtor (collectively, the "Inventory");
- (¢) Equipment: all machinery, equipment, fixtures, furniture, plant, vehicles and other tangible personal property which is not inventory (collectively, the "Equipment");
- (d) Chattel Paper: all chattel paper;
- Documents of Title: all warehouse receipts, bills of lading and (e) other documents of title, whether negotiable or not;
- Securities and Instruments: all shares, stock, warrants, bonds, (f) debentures, debenture stock and other securities and all instruments:
- Intangibles: all intangibles not described in Section 2.01(a) (2) including, without limiting the generality of the foregoing, all goodwill, patents, trademarks, copyrights and other intellectual property;
- Money: all coins or bills or other medium of exchange adopted (h) for use as part of the currency of Canada or of any foreign government;
- (ii) Books, Records, Etc.: all books, papers, accounts, invoices. documents and other records in any form evidencing or relating to any of the property described in Sections 2.01(a) to (h) inclusive, and all contracts, securities, instruments and other rights and benefits in respect thereof (including without limitation, patient lists and records to the extent that the Debtor is a medical practitioner or dentist);
- Substitutions, Etc.: all replacements of, substitutions for and (i)increases, additions and accessions to any of the property described in Sections 2.01(a) to (i) inclusive;
- Proceeds: all proceeds to the property described in Sections (K) 2.01(a) to (i) inclusive including, without limiting the generality of the foregoing, all personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for the loss of or damage to such property; and
- All property described in schedule(s) now or hereafter attached (1) hereto.
- 2.02 In addition, the Debtor hereby charges in favour of ELEMENT, as and by way of a floating charge, its undertaking and all property and assets, real and personal, movable or immovable, of whatsoever nature and kind, both present and future and every interest therein which the Debtor now has or hereafter acquires (other than the property and assets hereby effectively assigned or subjected to the

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specific mortgage and charge and subject to the exceptions heremafter contained);

- 2.03 Notwithstanding anything hereinbefore contained, the security interest, assignment, mortgage and charge granted hereby shall not extend to, and the Collateral shall not include:
  - (a) any consumer goods;

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- (b) the fast day of the term of any lease or any agreement for lease of real property now held or hereafter acquired by the Debtor, but should ELEMENT enforce the said security interest, assignment, mortgage and charge, the Debtor shall stand possessed of such last day and shall hold it in trust for ELEMENT and shall assign the same as ELEMENT shall direct; or
- (c) any agreement right, franchise, license or permit (the "contractual rights") to which the Debtor is a part or of which the Debtor has the benefit, to the extent that the creation of the security interest, assignment, mortgage and charge therein would constitute a breach of the terms of or permit any person to terminate the contractual rights, but the Debtor shall hold its interest therein in trust for ELEMENT and shall assign such contractual rights to ELEMENT forthwith upon obtaining the consent of the other party thereto or as directed by ELEMENT, use all commercially reasonable efforts to obtain any consent required to permit any contractual rights to be subjected to the security interest, assignment, mortgage and charge granted hereby.
- 2.04 Property in and title to any item of Collateral supplied to the Debtor by ELEMENT, or the acquisition of which has been financed by ELEMENT, shall remain in ELEMENT until the full purchase price of such item, together with interest, financing charges and other charges in respect thereof from time to time in effect, shall have been paid in full. Receipt by ELEMENT of any instrument of or endorsed by the Debtor shall not constitute payment until ELEMENT receives in cash the full amount thereof. Risk of loss of each item of Collaterat supplied by ELEMENT shall pass to the Debtor upon delivery thereof to the Debtor.

ARTICLES THREE - GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE DEBTOR

3.01 Representations and Warranties

- The Debtor hereby represents and warrants to ELEMENT that:
  - (a) the Debtor, if a corporation, is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation; the Debtor has the power, corporate or otherwise, to enter into this Agreement; this Agreement has been duly authorized by all necessary action, corporate or otherwise, on the part of the Debtor; this Agreement constitutes a legal and valid agreement binding upon the Debtor enforceable in accordance with its terms; the making and performance of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Debtor pursuant to the articles, by-laws or other constating documents of the Debtor or any agreement, indenture or other instrument to which the Debtor is a party by or which the Debtor or any of its property may be bound or affected;
  - (b) all financial information provided by the Debtor to ELEMENT is true, correct and complete; all financial statements of the Debtor have been prepared in accordance with Canadian generally accepted accounting principles consistently applied; there has been no material adverse change in the Debtor's financial condition since the date of the most recent financial statements provided to ELEMENT;
  - (c) except as otherwise provided herein or disclosed in a schedule hereto, all of the Collateral is the sole property of the Debtor free from any liens, charges, security interests, encumbrances or any rights of others which rank prior to or pari passu with the security interest, assignment, mortgage and charge granted hereby; and
  - (d) the Debtor's chief executive office, the location of the office where it keeps its records respecting the Receivables and the location of all other tangible Collateral (other than Inventory in transit) is that given in Section 7.06 of this Agreement, except as otherwise provided herein or disclosed in any schedule(s) hereto.

3.02 Covenants

The Debtor covenants with ELEMENT that:

- (a) it shall ensure that the representations and warranties set forth in Section 3.01 are true and correct at all times;
- (b) it shall maintain, use and operate the Collateral and carry on and conduct its business in a lawful and business-like manner;
- it shall not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of ELEMENT;
- (d) it shall defend the Collateral against all claims and demands respecting the Collateral made by all persons at any time and, except as otherwise provided herein, shall keep the Collateral free and clear of all security interests, mortgages, charges, liens and other encumbrances or interests.
- (e) it shall not change its chief executive office or the location of the office where it keeps its records respecting the Receivables or move any other tangible Collateral (other than Inventory in transit) from the locations specified in Section 3.01(d), without the prior written consent of ELEMENT;
- (f) it shall pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall deliver to ELEMENT, when required, the receipts and vouchers establishing such payment;
- (g) it shall keep proper books of account in accordance with sound accounting practice, shall furnish to ELEMENT any financial and personal information of the Debtor and any Guarantor as ELEMENT may from time to time require and it shall permit ELEMENT or its authorized agents at any time at the expense of the Debtor to examine the books of account and other financial records and to make copies thereof and take extracts therefrom;
- (h) it shall from time to time forthwith at the request of ELEMENT furnish to ELEMENT in writing all information required relating to the Collateral (including without limitation, descriptions of all motor vehicles and other "serial number" goods), and ELEMENT shall be entitled from time to time at any reasonable time to inspect the Collateral and make copies of all information relating to the Collateral and for such purposes ELEMENT shall have access to all premises occupied by the Debtor to examine the books of account and other financial records and to make copies thereof and take extracts therefrom;
- (i) it shall not change its name or, if the Debtor is a corporation, shall not amalgamate with any other corporation without first giving notice to ELEMENT of its new name and the names of all amalgamating corporations and the date when such new name or amalgamation is to become effective; and
- (j) it shall pay to ELEMENT forthwith upon demand all reasonable costs and expenses (including, without limiting the generality of the foregoing, all legal, Receiver's and accounting fees and expenses) incurred by or on behalf of ELEMENT in connection with the preparation, execution, registration or amendment of this Agreement, the perfection or preservation of the security interest, assignment, mortgage and charge granted hereby and the carrying out of any of the provisions of this Agreement including, without limiting the generality of the foregoing, enforcing by legal process or otherwise the remedies provided herein; and all such costs and expenses shall be added to and form part of the Obligations secured hereunder.
- 3.03 The Debtor will keep all Equipment forming a part of the Collateral in good working order and condition, reasonable wear and tear expected, and ELEMENT may, whenever it deems it to be necessary, either in person or by agent, inspect any such Equipment and make such repairs thereto as it deems are necessary and the cost of such inspection and repairs shall be payable by the Debtor to ELEMENT upon demand.
- 3.04 If the Collateral should at any time hereafter include securities, instruments, chattel paper and negotiable documents of title, the Debtor will, if requested by ELEMENT, immediately deliver possession of such securities, instruments, chattel paper and negotiable documents of title to ELEMENT and, if requested by ELEMENT, will cause such securities included in the Collateral to be registered in ELEMENT's name so that ELEMENT may appear of record as the sole owner of such securities. Until the occurrence of an Event of Default, the Debtor shall be entitled to receive all distributions paid in respect of any securities included in the Collateral, shall be entitled to exercise all voting rights with respect to such securities and ELEMENT' will deliver to the Debtor or to a person designated by the Debtor.

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upon written request and upon receipt of payment of ELEMENT's expenses in connection therewith, directions with respect to such distributions and a proxy to vote such securities. The Debtor walves all right to receive any such distribution after the occurrence of an Event of Default. The Debtor agrees that no proxy issued by ELEMENT to the Debtor or its order as aforesaid shall be effective from and after the occurrence of an Event of Default, and upon the occurrence of an Event of Default the Debtor shall immediately surrender any such proxy to ELEMENT.

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3.05 All agreements, representations, warranties and covenants made by the Debtor in this Agreement are material, will be considered to have been relied on by ELEMENT and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of ELEMENT and any disposition or payment of the Obligations until repayment and performance in full of the Obligations and termination of all rights of the Debtor that, if exercised, would result in the existence of Obligations.

#### ARTICLE FOUR - INSURANCE

#### 4.01 INSURANCE

The Debtor shall obtain and maintain, at its own expense, insurance against loss or damage to the Collateral including, without limiting the generality of the foregoing, loss by fire (including so-called extended coverage), theft, collision and such other risks of loss as are customarily insured against on this type of Collateral in any amount not less than the full replacement value thereof, in such form and with such insurers as shall be reasonably satisfactory to ELEMENT. If any such policies of insurance contain a co-insurance clause, the Debtor shall either cause any such co-insurance clause to be waived or maintain at all times a sufficient amount of insurance to meet the requirements of any such co-insurance clause so as to prevent the Debtor from becoming a co-insurer under the terms of any such policy. All such policies shall name ELEMENT as an additional insured and as a first loss payee thereof, as ELEMENT's interests may appear, and shall contain a clause requiring the insurer to give ELEMENT at least 30 days' prior written notice of any alteration in the terms of such policy or of the cancellation or intended cancellation thereof. At ELEMENT's request, the Debtor shall furnish ELEMENT with a copy of any policy of insurance and certificate of insurance or other evidence satisfactory to ELEMENT that such insurance coverage is in effect, provided, however, that ELEMENT shall be under no duty to either ascertain the existence of or to examine such insurance policy or to advise the Debtor in the event such insurance coverage shall not comply with the requirements hereof.. The Debtor shall give ELEMENT notice of any damage to, or loss of, the Collateral forthwith upon the occurrence of any such damage or loss. Should the Debtor fail to make any payment or perform any other obligation provided in this Section, ELEMENT shall have the right, but not the obligation, without notice to or demand upon the Debtor and without releasing the Debtor from any obligation hereunder or waiving any rights to enforcement of this Agreement, to perform any or all of such obligations. The amount of all such payments made and all costs, fees and expenses incurred by ELEMENT in performing such obligations shall be immediately due and payable to the Debtor and, until paid, such amounts shall be added to and form part of the Obligations secured hereunder. The Debtor will, at its expense, make all proofs of loss and take all other steps necessary to recover insurance benefits unless advised in writing by ELEMENT that ELEMENT desires so to do at the Debtor's expense. If the Debtor fails to recover the insurance benefits within a reasonable time or if ELEMENT notifies the Debtor in writing of ELEMENT's desire to recover such insurance benefits directly, then the Debtor hereby appoints ELEMENT, with full power of substitution, as the Debtor's lawful attorney for all such purposes, including the execution and endorsement of all documents, cheques or drafts for loss or damage under any applicable insurance policies. Proceeds of the insurance shall at the option of ELEMENT be disbursed by ELEMENT against satisfactory invoices for repair or replacement of the Collateral, or be retained by ELEMENT for application against the Obligations, and if the proceeds received are less than the loss value of the Collateral lost, the Debtor shall immediately pay to ELEMENT the amount of such deficiency. The total or partial loss of the Collateral or its use or possession shall not relieve the Debtor from its Obligations.

ARTICLE FIVE - DEALING WITH COLLATERAL 5.01 Dealing with Collateral by the Debtor The Debtor shall not sell, lease or otherwise dispose of any of the Collateral without the prior written consent of ELEMENT, except that the Debtor may, until an Event of Default occurs, sell or otherwise dispose of items of Inventory in the ordinary course of its business so that the purchaser thereof takes title thereto free and clear of the security interest, assignment, mortgage and charge granted hereby and, subject to Section 5.02, collect Receivables in the ordinary course of its business.

#### 5.02 Notification of Account Debtors

Before or after an Event of Default occurs, ELEMENT may give notice of this Agreement and the security granted hereby to any account debtors of the Debtor or to any other person liable to the Debtor and, after the occurrence of an Event of Default, may give notice to any such account debtors or other person to make all further payments to ELEMENT. Any payments or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor whether before or after any notice is given by ELEMENT shall be held by the Debtor in trust for ELEMENT and paid over to ELEMENT on request.

5.03 Application of Funds

Except where the Debtor, when no Event of Default has occurred, so directs in writing at the time of payment, all money collected or received by ELEMENT in respect of the Collateral may be applied on account of such parts of the Obligations as ELEMENT in its sole discretion may determine, or may be held unappropriated in a collateral account, or in the discretion of ELEMENT may be released to the Obbtor, all without prejudice to ELEMENT's right against the Debtor.

#### ARTICLE SIX - DEFAULT AND REMEDIES

#### 6.01 Events of Default

- The Debtor shall be in default under this Agreement upon the occurrence of any of the following events (herein referred to as an "Event of Default"):
- (a) the Debtor fails to pay to ELEMENT all or any part of the Obligations when due;
- (b) the Debtor fails to observe or perform any covenant or other obligation of the Debtor contained in this Agreement (other than a covenant or obligation specifically dealt with elsewhere in this Section 6.01);
- (c) any representation or warranty made by the Debtor or any Guarantor to ELEMENT in connection with the entering into of this Agreement or any statement in any document, agreement or certificate furnished at any time to ELEMENT in connection herewith proves to have been untrue, incorrect or misleading when made or furnished;
- (d) the Debtor, any Guarantor or any affiliate thereof is in default under any other agreement or obligation now existing or hereinafter entered into with ELEMENT or any affiliate of ELEMENT whether any of Debtor, such Guarantor or such affiliate is bound alone or with others;
- (e) the Debtor or any Guarantor ceases or threatens to cease to carry on the business currently being carried on by it or disposes of all or substantially all of its property;
- (f) the Debtor or any Guarantor becomes insolvent (within the meaning of the Bankruptcy and Insolvency Act) or commits or threatens to commit an act of bankruptcy or if a petition in bankruptcy, proposal, arrangement or reorganization under the Bankruptcy and Insolvency Act, Winding-up and Restructuring Act or Companies' Creditors Arrangement Act is filed by or against the Debtor or any Guarantor or if a trustee, receiver or receiver-manager or other similar official is appointed for Debtor or any Guarantor or a substantial part of Debtor's or any Guarantor's property;
- (g) If Debtor is a corporation, there is any change in its effective control without ELEMENT's prior written consent;
- (h) the Collateral or any part thereof is seized, forfeited or confiscated or otherwise attached by anyone pursuant to any legal process or other means;
- an encumbrancer or any other party takes possession of a substantial part of the Debtor's or any Guarantor's property;
- (j) the Debtor challenges or threatens to challenge the validity or enforceability of this Agreement or the security interest, assignment, mortgage or charge granted by this Agreement;
- (k) ELEMENT believes in good faith that the payment of the Obligations or the performance or observance of any covenant herein is impaired or that the Collateral is in danger of being

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lost, damaged or confiscated, or of being encumbered by the Debtor or seized or otherwise attached by anyone pursuant to any legal process or otherwise; or

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 Debtor or any Guarantor dies or becomes mentally incompetent, if an individual, or is dissolved, or amalgamated or wound up if Debtor or such Guarantor is a corporation.

#### 6.02 Remedies

- Upon the occurrence of any Event of Default and at any time thereafter, ELEMENT shall have, in addition to any right or remedy provided by law, the rights and remedies set out below, all of which rights and remedies shall be enforceable successively, concurrently and/or cumulatively and all of which may be exercised by ELEMENT directly or through agents or nominees:
  - (a) any or all of the Obligations shall at the option of ELEMENT become immediately due and payable or be subject to immediate performance, as the case may be, without further demand or notice, both of which are expressly waived; and the obligations. if any, of ELEMENT to make further advances to the Debtor shall cease; and any or all security granted hereby shall, at the option of ELEMENT, become immediately enforceable;
  - (b) ELEMENT may appoint any person to be a Receiver of the Debtor or any or all of the Collateral and may remove any Receiver so appointed and appoint another if ELEMENT so desires; it being agreed that any Receiver appointed pursuant to the provisions of this Agreement shall have all the powers as may be provided for in the instrument of appointment or any supplemental instrument, as well as all the powers of ELEMENT hereunder, and in addition, shall have the power to carry on the business of the Debtor;
  - (c) ELEMENT may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to ELEMENT at such place or places as may be specified by ELEMENT;
  - (d) ELEMENT may carry on or concur in the carrying on of all or any part of the business of the Debtor;
  - (e) ELEMENT may enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law;
  - (f) ELEMENT may sell, lease or otherwise dispose of the Collateral at public auction, by private tender or by private sale either for cash or upon credit upon such terms and conditions as ELEMENT may determine and without notice to the Debtor unless required by law;
  - (g) ELEMENT may retain the Collateral in satisfaction of the Obligations upon notice to the Debtor of its intention to do so in the manner required by law;
  - (h) ELEMENT may apply to a court of competent jurisdiction for the appointment of a receiver or a receiver and manager of the Debtor or of any or all of the Collateral; and
  - (i) ELEMENT may borrow money on the security of the Collateral in priority to the security interest, assignment, mortgage and charge granted by this Agreement for the purpose of the carrying on of the business of the Debtor or for the maintenance, preservation, protection or realization of the Collateral.
- 2. The Debtor further agrees with ELEMENT that:
  - (a) ELEMENT shall not be liable or responsible for any failure to seize, collect, realize, sell or obtain payment of the Collateral and shall not be bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment of the Collateral or for the purpose of preserving any rights of ELEMENT, the Debtor or any other person in respect of the Collateral;
  - (b) ELEMENT may grant extensions of time, take, abstain from taking and perfecting and give up security, accept compositions, grant releases and discharges, release any part of the Collateral and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as ELEMENT may see fit without prejudice to the liability of the Debtor to ELEMENT or ELEMENT's rights hereunder;
  - (c) To facilitate the realization of the Collateral, ELEMENT may enter upon, occupy and use all or any of the premises owned or occupied by the Debtor and use all or any of the Collateral and other personal property of the Debtor for such time as ELEMENT requires, free of charge, and ELEMENT shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions:

- (d) ELEMENT may discharge any claim, lien, mortgage, charge, security interest, encumbrance or any rights of others that may exist or be threatened against the Collateral, and in each such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations hereby secured; and
- Any process of realization of the Collateral may be applied by (e) ELEMENT to the payment of reasonable costs, charges and expenses (including without limiting the generality of the foregoing, legal, Receiver and accounting fees and expenses) incurred in connection with the exercise of any of the rights, powers and remedies granted under this Agreement and any balance of such proceeds shall be applied by ELEMENT to payment of the Obligations in such order as ELEMENT may see fit; If there is any surplus remaining, it shall be paid to any person having a claim thereto in priority to the Debtor of whom ELEMENT has knowledge and any balance remaining shall be paid to the Debtor; if the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the aforesaid costs, charges and expenses, the Debtor shall be liable to pay any deficiency to ELEMENT forthwith on demand.
- If Debtor is a medical practitioner, dentist or pharmacist, then and only then, Debtor further agrees, in addition to and not in lieu of any of the foregoing;
  - (a) to deliver the Books and Records described in Section 2.01(i), upon the request of ELEMENT, to an individual designated by ELEMENT who is qualified and licensed to carry on his/her Practice (as defined below); and
  - (b) not to carry on a Practice or attempt to contrive to carry on his/her Practice, directly or indirectly, individually or in partnership or for a corporation as principal, agent, director or officer or in any other manner whatsoever or permit his/her name to be used or employed in any Practice, without the written consent of ELEMENT, for:
    - a period of time of three years (or, if such period of time is not permitted by applicable law, the longest period of time that is permitted by applicable law), from the date of the Event of Default, and
    - ii. a geographic area that is within a 5 kilometre radius (or, if such geographic area is not permitted by applicable law, the largest geographical area that is permitted by applicable law) of the premises at which the Debtor's Practice was carried out prior to the Event of Default.
    - For a medical practitioner or dentist, "Practice" means practicing the prevention, diagnosis, treatment of medical diseases and injuries and malfunctions of the teeth, jaws and mouth, and for a pharmacist, "Practice" means the preparation and dispensing of pharmaceuticals.

#### ARTICLE SEVEN - GENERAL

#### 7,01 Benefit of the Agreement

This Agreement shall be binding upon the heirs, executors, administrators, successors and permitted assigns of the Debtor and shall benefit the successors and assigns of ELEMENT. If there is more than one Debtor named herein, the term "Debtor" shall mean all and each of them, and their obligations under this Agreement shall be joint and several and the Obligations shall include those of all or any one of them. No Debtor shall have any right of subrogation. exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations unless and until all of the Obligations have been paid or performed in full.

7.02 Entire Agreement

This Agreement, including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Debtor and ELEMENT with respect to the subject matter hereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between ELEMENT and the Debtor except as expressly set forth herein.

7,03 No Waiver

No delay or failure by ELEMENT in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

7.04 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability

# GENERAL SECURITY AGREEMENT

# 4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L4Z 151 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect

7 05 Further Assistance

The Debtor will from time to time forthwith at the request of ELEMENT and at the expense of the Debtor, make, do. execute, acknowledge and deliver such financing statements, financing charge statements. schedules and further assignments, transfers, documents, acts, matters, things and assurances as may be reasonably required by ELEMENT to effectively carry out the full intent and meaning of this Agreement or to better evidence, perfect and preserve the security interest, assignment, mortgage and charge granted hereby. The Debtor hereby irrevocably constitutes and appoints ELEMENT, or any Receiver appointed by a court of competent jurisdiction or ELEMENT, the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever ELEMENT or any such Receiver may consider it to be necessary or desirable, and the Debtor agrees to ratify and confirm all such acts of the said attorney lawfully done. The Debtor shall pay all costs for searches and filings in connection with the registration, perfection and continuation of the security granted hereunder.

7.06 Hotices

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and may be given by personal delivery, registered mail or by facsimile transmission, addressed to the recipient as follows:

 (c) To the Debtor: John Gerges
 2086 Lawrence Ave. W #182, Toronto, Ontario, M9N 329

Fax No.:

(d) To ELEMENT FINANCIAL CORPORATION: 4 Robert Speck Pkwy, Ste 900 Mississauga, Ontario M5J 2S1

Fax No.: (888) 772-8129 or such other address, facsimile number or to the attention of such other individual as may be designated by notice by any party to the other. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third day following the deposit thereof in the mail and, if given by facsimile transmission, on the day of transmittal thereof if given during the normal business hours and on the next business day if given after normal business hours on any day. If the party giving any communication knows or ought reasonably to know of any difficulties with the postal system and might affect the delivery of mail, any such demand, notice or

# JOHN GERGES (DEBTOR)

Signature: X Name: John Gerges

other communication shall not be mailed by shall be given by personal delivery or by facsimile transmission.

#### 7.07 Modification

This Agreement may not be amended or modified in any respect except by written instrument signed by all parties. The rights of ELEMENT under this Agreement may be assigned by ELEMENT without the consent of the Debtor, free of any set-off, counter-claim or equities between the Debtor and ELEMENT, and the Debtor shall not assert against any assignee of ELEMENT any claim or defence that the Debtor has against ELEMENT. The Debtor may not assign its obligations under this Agreement.

# 7.08 Additional Continuing Security

This Agreement and the security interest, assignment, mortgage and charge granted hereby are in addition to and not in substitution for any other security now or hereafter held by ELEMENT and this Agreement is a continuing agreement and the security shall remain in full force and effect until discharged by ELEMENT

7.09 Discharge

The Debtor shall not be discharged from any of the Obligations or from this Agreement except by a release or discharge signed in writing by ELEMENT.

7.10 Governing Law

This Agreement shall, for the purpose of determining the validity and enforceability of ELE/MENT's security interest in the Collateral and its remedies upon a default, be governed by and construed in accordance with the laws of the jurisdiction where (i) the Debtor is located with respect to that part of the Collateral that is inventory leased or held for lease to others or Collateral that is an intangible or Collateral that is normally used in more than one jurisdiction; and (ii) the laws of the jurisdiction where the Collateral is located in all other cases. For all other purposes, this Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

7.11 Executed Copy

The Debtor acknowledges receipt of a fully executed copy of this Agreement. The Debtor acknowledges its right to receive copies of any registered financing and financing change statements registered under the Personal Property Security Act with respect to transactions contemplated herein and, where permitted by law, hereby waives and renounces such right and exonerates ELEMENT from the obligation to provide such copies or verification statements thereto.

7.12 Attachment

The Debtor confirms that value has been given by ELEMENT to the Debtor, that the Debtor has rights in the Collateral (other than afteracquired property) and that the Debtor and ELEMENT have not agreed to postpone the time for attachment of the security interest, assignment, mortgage and charge created by this Agreement to any of the Collateral. The security interest, assignment, mortgage and charge created by this Agreement will have effect and be deemed to be effective whether or not the Obligations or any part thereof are owing or in existence before or after or upon the date of this Agreement. Neither the execution of this Agreement nor any advance of funds shall oblige ELEMENT to advance any funds or any additional funds.

# ELEMENT FINANCIAL CORPORATION (ELEMENT)

Signature:

Name: Ben Wyett

Title: Vice-President, Operations



Element Financial Corporation

4 Robert Speck Parkway, Suite 900, Mississauga, Ontario, L42 151 Phone: (905)-366-2142 Toll Free: (866)-797-8489 Fax: (866)-797-8488

# FUNDER DOCUMENT CHECKLIST

LEASE #:	BA050178	0-002	LEASING COMPANY:	ELEMENT FINANCIAL CORPO	RATION
CUSTOMER:	Bless River	Pharma Inc.) RIVER HILL F	HARMACY		
CO-LESSEES:	4		6.		
CO-LESSEES:			æ		
DATE:	August 28, 2	:015			
ITEM #		DOCUMENTS	LEASE CO.	FUNDER	COMMENTS
Ť	Orig. Lease /	Loan Agreement incl. any schedules	🛛 Loan 🗌 Lease		Promissory Note
2	Certificate o	f Officer	☑ or □ N/A		
3	Orig. Deliver	y & Acceptance	🗆 or 🗹 N/A		
4	Insurance Ad	dendum	O or 🗹 N/A	D	
5	Purch. Optio	n/Residual/Balloon at end of term or at month 60/12	O or 🗹 N/A	0	Promissory Note
6	PG or CG:	John Gerges	Ø or □ N/A		
7	PG or CG:		O or D N/A	or 🗆 N/A	
8	PG or CG:		or 🗹 N/A	O or N/A	
9	PPSA Registra	ation	Ø		
10	PMSI met, O	Waivers received (CIRCLE ONE)	D MET D WAIVERS	MET WAIVERS	
11	Invoice/Bill (	of Sale for Equipment /Letter of Direction		1	
12	Proof of Pay	ment for Equipment	Ø	D	
13	Broker Invoid	ce (if applicable)	or 🗹 N/A	or D N/A	
14	Broker Proof	of Payment (if applicable)	□ or ☑ N/A	O or O N/A	
15	Void Cheque	or Signed PAP form	J		
16	Insurance (ad	tive at time of funding)			
17	Corporate Se	earch	□´or ☑ N/A		
		OTHER	DOCUMENTATION		
1	General Secu	urity Agreement - Bless River Pharma Inc.	Ø		
2	General Secu	urity Agreement - John Gerges	0		
3	Personal Gur	antee - John Gerges			
4	Share Pledge	Agreement	Ø		
5					
CONVENTS					
				REVIEWED BY:	

TRANSACTION TOTAL (Less Taxes)

150,000.00

\$

# 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-2142 Fax: (866)-797-8488

# AMOUNT: \$150,000.00

# DATED August 28th, 2015

FOR VALUE RECEIVED, the undersigned (the "Borrower"), jointly and severally (if more than one), hereby promises to pay to or to the order of ELEMENT FINANCIAL CORPORATION (the "Lender"), at 4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 (or to such other person or at such other place as the Lender may from time to time in writing direct), the principal sum of One Hundred, Fifty Thousand, Dollars (\$150,000.00) (the "Principal Sum") together with interest at a fixed rate of 6.25% per annum, compounded monthly and accruing in arrears, in 60 consecutive blended monthly installments of principal and interest, in the amounts and at the times set out in the schedule of installments below.

NO. OF MONTHLY PAYMENTS	MONTHLY INSTALLMENT PAYMENTS	COMMENCING (MM/DD/YYYY)
60	\$2,919.39	10/01/2015

All payments hereunder shall be made payable to the Lender, unless otherwise directed in writing by the Lender. This Note cannot be prepaid except with the written consent of the Lender and on terms and conditions that the Lender stipulates. Any overdue payment of principal or interest shall bear interest before and after default, demand and judgment at a rate of interest per annum of 18% from the due date, calculated and compounded monthly in arrears.

If the Borrower fails to pay any amount when due under the terms of this Note or any other event of default occurs under any security agreement executed by the Borrower in favour of the Lender (the "Agreement") securing the obligations of the Borrower to the Lender under, among other things this Note (each, a "Default"), the Lender may, in addition to any right or remedy set out in any security (including the Agreement), declare all amounts then due under this Note and all unpaid and future payments under this Note to be immediately due and payable, without any additional notice or demand of any kind, and in such event the Borrower shall forthwith pay to the Lender all such amounts then due under this Note and, as a genuine pre-estimate of liquidated damages for loss of bargain and not as a penalty, the present value of all unpaid and future payments discounted from their respective due dates at a discount rate equal to three percent (3%) per annum.

Payments received by the Lender shall be applied first in payment of unpaid accrued interest and the balance, if any, to the reduction of the Principal Sum. The Borrower waives diligence, presentment, demand, notice, protest, and notice of protest and notice of dishonour. The Borrower shall pay all costs arising or incurred by the Lender as a result of a Default, including reasonable legal fees on a solicitor and his own client basis. This Note has been written in the English language at the express request of the parties. Le présent billet a été rédigé en langue anglaise à la demande expresse des parties. The Lender can assign this Note to any third party without notice to or consent of the Borrower. The Borrower may not assign this Note without the Lender's prior written consent. This Note shall be governed by and construed in accordance with the laws of the Province of Ontario.

On the sale or other disposition of (a) shares in the capital of the Borrower, or (b) assets of the Borrower (other than the sale of used equipment in the normal course of business of the Borrower), the Borrower shall prepay outstanding credit hereunder in the amount of the proceeds of such disposition (net of the transaction cost of such disposition).

The Lender is hereby irrevocably authorized and directed to pay the Principal Sum as instructed below and the Borrower acknowledges and confirms that the Lender making such payment as directed, the Borrower shall become indebted to the Lender for the Principal Sum and interest thereon pursuant to the terms and conditions hereof: (Check A or B):

A. \$150,000.00 to be paid to Goldstein & Grubner Barristers & Solicitors "In Trust":

B. To the Lender, as repayment of the principal and accrued interest owed under the following promissory notes:

I hereby authorize Lender to debit my bank account noted on the attached void cheque ("Borrower's Account") for the purpose of paying all regularly scheduled payments and all other amounts due to Lender under the terms of this Promissory Note, including amounts owing in the event of Default. I may revoke this authorization subject to providing Lender with 30 days' prior written notice. I understand that I may contact my financial institution or visit <u>www.cdnpay.ca</u> to obtain a sample cancellation form or for more information on my right to cancel this authorization. Any cancellation of this authorization applies only to the method of payment between Borrower and Lender and has no effect whatsoever on any other provision of this Promissory Note. Borrower has certain recourse rights if any debit from the Borrower's Account does not comply with the pre-authorized payment authorization granted by Borrower in this Promissory Note. For example, Borrower has the right to receive reimbursement for any debit that is not authorized or is not consistent with the pre-authorized payment authorization granted by Borrower in this Promissory Note. To obtain more information on Borrower's recourse rights, Borrower may contact his/her/its financial institution or visit www.cdnpay.ca. Lender may assign to an assignee (the "Assignee") the pre-authorized payment authorization granted by Borrower in this Promissory Note provided that Lender provides Borrower with written notice of the full details of such

# PROMISSORY NOTE BAO50178D-002

4 Robert Speck Pkwy, Ste 900, Mississauga, ON L4Z 1S1 Tel: (905)-366-2142 Fax: (866)-797-8488

assignment, including the identity and contact information of the Assignee, at least 10 days prior to the Assignee collecting any Monthly Installment Payments or other amounts due under this Promissory Note from the Borrower's Account.

ATTACH VOID CHEQUE	
BLESS RIVER PHARMA INC. (Borrower) I have authority to bind the corporation	ELEMENT FINANCIAL CORPORATION (Lender)
Signature: ×	Signature:
Name: John Gerges	Name: Ben Wyett
Title: Director	Title: Vice-President, Operations
CERTIF	ICATE OF OFFICER

The undersigned, John Gerges, Director of BLESS RIVER PHARMA INC. (the "Corporation") hereby certifies to Element Financial Corporation, its successors and assigns, that the foregoing Promissory Note and all ancillary documents (the "Agreements") were approved and executed by John Gerges acting on behalf of the Corporation, were authorized by resolution of the board of directors of the Corporation duly adopted at a valid meeting of the board of directors of the Corporation held on August\_\_\_\_\_\_\_, 2015 which resolution has not been amended or revoked and remains in full force and effect. I further certify that the signatures appearing on the Agreements are in fact the signatures of the persons so authorized.

BLESS RIVER PHARMA INC.

Signature: X

Name: John Gerges

Title: Director

ana i

**DEBTOR 10: S&J** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$497,054.09

PRINCIPAL

1951584 Ontario Inc. (formerly Desante Financial Services Inc.) Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6 JUN 0 3 2019

DATE

# 1. PROMISE TO PAY AND INTEREST

For value received, S&J Property Investors Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 721 Gerrard St. E., Toronto, ON M4M 1Y5 promises to pay to 1951584 Ontario Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Four Hundred Ninety Seven Thousand Sixty Four Dollars and Nine Cents (\$497,064.09) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of June 2019 and up to and including the 15<sup>th</sup> day of May 2024 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	June 15, 2019	May 15, 2024	\$5,430.21
1	May 15, 2024	May 15, 2024	\$282,577.13

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "**Relevant Period**"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

# 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (I) You have received a copy of this Note.

**\$&J Property Investors Inc** 

Name: Ganal Farid Gerges Title: Vire tor

# **General Security Agreement**

Customer: S&J Property Investors Inc. www.maxium.net

30

Date:

JUN 0 3 2019

|| Road, Suite 1 Richmond Hill, Ontario L4B 3K6

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) mented by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of anv lease

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other inferest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS 4

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### INCOME AND INTEREST ON INVESTMENT PROPERTY 5.

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### ß. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- (c) provide us with RX Reports within 120 days of each of your fiscal year ends;
- (d) advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.
- 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require; -
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without out prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 16. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation nwed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreemen between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors of consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any materia respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest of encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreemen between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person

including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or ornission on our part or an your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We of the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid of borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to 1951584 Ontario Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 26. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a partyhereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of thi: Agreement,

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province o Ontario.

	A
S&J Property Investors Inc.	
BY:	BY:
Name: Barnar Fyld Gerges	Name: John Cerels
Title: President	Title: Or &
<i>V</i>	
Address: 721 Gerrard Street, East, Toronto, ON M4M 1Y5	

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard Street, East, Toronto, ON M4M 1Y5

# General Security Agreement

Customer: Bless Pharma Inc.

: gell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

Date:

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accourd (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are hereof collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that su security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and futuobligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including leg fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issue: (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

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#### ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary appropriate in order to give us "control" of such Investment Property, as defined in I Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as shall designate in our sole judgment and discretion, including, without limitation, agreement by any issuer or securities intermediary that it will comply with instructions the case of an Issuer or entitlement orders in the case of a securities intermedia originated by us, whether before or after the occurrence of any continuing Event Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates Assets and Undertakings destroyed or damaged (all of which property is herein collectively ca "Proceeds"). Proceeds shall be received and held by you in trust for us.

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#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreemer notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, recei receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and I (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to def any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own cl basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypot mortgage, lien, charge, security interest or any other interest or claim including any proprietary or t interest or encumbrance claimed by any third party. You hereby covenant and agree to keep Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of t parties. You hereby covenant and agree to not sell, give away, part with possession of or othen dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsc equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are custom insured by businesses in the industry in which you are engaged. If requested, you will provide us will copy of the insurance policy. The insurance policy will name us as first loss payee and additional insu We may, in our absolute discretion, pay any premium due on any insurance policy, including any insurance policy forming part of the Collateral, and the amount of any premium we pay will be adde and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we not any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

# You hereby represent and wairant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon
  - by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

#### You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- provide us with RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- (d) advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### **13.** POSITIVE COVENANTS

#### You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

#### Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to you premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge lien, security interest, assignment, charge, or encumbrance (including withou limitation, any conditional sale, or other title retention agreement, or financilease) of any nature, upon or with respect to the Collateral, or sign or file unde the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registrsystem of any jurisdiction a financing statement which names you as a debtor or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case mail be, permit any change of ownership or change your capital structure withou our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permittee under this Agreement or change the location(s) of the Collateral without ou prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or othe financial assistance to, any other business entity or person without our prio written consent; or
- (e) make any payments or distributions including but not limited to dividends redemption or retraction payments or any other amounts in respect to any o your common shares, preferred shares or any other outstanding capita stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relatin to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt c obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreemer between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors c consent to the appointment of a trustee or receiver, or a trustee or receiver shall b appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any materirespect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyon claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governin body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest c encumbrance daimed by any third party with respect to any of the Collateral, except for an lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, b guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreemer between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or t believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Ohligations i full, whether matured or not, and we may enforce this Agreement by any method permitted by law, an we may exercise any rights and remedies under applicable law, and we may appoint any person

including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

# 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22, DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to 1951584 Ontario Inc.

# 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement Is invalid or void, the remaining terms and provisions of the Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive copy of any financing statement, verification statement, or similar document we register or that we m receive by way of confirmation of a security registration in respect of this Agreement or any agreeme amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assig and shall enure to our benefit and to the benefit of our successors and assigns; provide that you shall not assign any of your rights or obligations hereunder without our priwritten consent. We may assign our rights under this Agreement without your conse and without providing you notice of such assignment. This Agreement shall continue in full for and effect notwithstanding any change in the composition of or membership of any firm or corporatic which is a party-hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to your us or may be sent by prepaid registered mall addressed to our address shown above your address shown below, or such further address as we or you may notify to the othin writing from time to time, and if so given the notice shall be deemed to have bee given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe ar perform the terms and conditions hereof, then we shall, at your request and expens release and discharge the security interest created by this Agreement and execute ar deliver to you such deeds and other instruments as shall be required to effect any sur release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreeme may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale sh: operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30, FURTHERASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be don executed, acknowledged or delivered every such further act, deed, conveyanc instrument, transfer, assignment, security agreement and assurance as we ma reasonably require in order to give effect to the provisions and purposes of th Agreement.

#### 31. GOVERNING LAW

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

Bless Pha	arma Inc.		
8Y:		BY:	
Name:	John Gerges	Name:	
Title:	President	Title:	

# Address: 721 Gerrard Street, East, Toronto, ON M4M 1Y5

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# CERTIFIED TRUE COPY

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard Street, East, Toronto, ON M4M 1Y5

.

: gell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.Desante.net

# General Security Agreement

Customer: John Gerges

Date:

JUN 0 3 2019

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accound (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are her collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that su security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and futu obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including leg fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (allas defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monles and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issue: (collectively called "Investment Property") including, without limitation, any Investment Property specifically Identified in Schedule A; and all substitutions therefor and, subject to Section 5. dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to your or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in sumanner as we shall designate in our sole judgment and discretion, including, with limitation, an agreement by any issuer or securities intermediary that it will comply w instructions in the case of an issuer or entitlement orders in the case of a securit intermediary, originated by us, whether before or after the occurrence of any continui Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from : use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates Assets and Undertakings destroyed or damaged (all of which property is herein collectively ca "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 6. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to rece all income from or interest on the Collateral consisting of Investment Property, and ifreceive any such income or interest prior to the occurrence of any continuing Event Default, we agree to pay you such income or interest promptly. After the occurrence any continuing Event of Default, you will not demand or receive any income from interest on such Collateral, and if you receive any such income or interest, such incon or interest shall be held by you in trust for us in the same medium in which received, sh not be commingled with any of your other assets and shall be delivered to us in the fo received, properly endorsed to permit collection, not later than the next business c following the day of its receipt. We may apply the net cash receipts from such income interest to payment of any of the Obligations, provided that we account for and pay or to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreemen notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver end manager or agent, and to pay interest thereon. You also agree to pay all legal costs and f (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defic any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own di basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypoth mortgage, lien, charge, security interest or any other interest or claim including any proprietary or to interest or encumbrance claimed by any third party. You hereby covenant and agree to keep Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of th parties. You hereby covenant and agree to not sell, give away, part with possession of or otherw dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsol equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customa insured by businesses in the industry in which you are engaged. If requested, you will provide us wit copy of the insurance policy. The insurance policy will name us as first loss payee and additional insur We may, in our absolute discretion, pay any premium due on any insurance policy, including any insurance policy forming part of the Collateral, and the amount of any premium we pay will be adder and form part of the Obligations.

9. LOCATION OF COLLA'TERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other an angements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carr on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to γpremises, business, financial and computer records and allow the duplicat or extraction of pertinent information therefrom;
- $\{h\}$  notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to Collateral.

# 14, NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pled lien, security interest, assignment, charge, or encumbrance (including with limitation, any conditional sale, or other title retention agreement, or finar lease) of any nature, upon or with respect to the Collateral, or sign or file unthe Personal Property Security Act (Ontario) (the "PPSA") or similar regis system of any jurisdiction a financing statement which names you as a debt or sign any security agreement authorizing any secured party thereunder to such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case n be, permit any change of ownership or change your capital structure with our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permit under this Agreement or change the location(s) of the Collateral without c prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relat to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreem between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors consent to the appointment of a trustee or receiver, or a trustee or receiver shall appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any mate respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you an partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governi body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest encumbrance daimed by any third party with respect to any of the Collateral, except for a lien granted by you'n our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreeme between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or believe that the Collateral, or any part thereof, or the value thereof, is or is about to be plac in jeopardy.

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- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f)demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- $\langle h \rangle$ take any other action deemed necessary to carry into effect the provisions of this Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

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#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

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#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or after any such appropriation

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to 1951584 Ontario Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

#### Address: 676 Sheppard Ave., Toronto, ON M2K 3E7

or that we may receive by way of confirmation of a security registration in respect of this Agreement any agreement amending, supplementing or replacing it.

#### 26. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assig and shall enure to our benefit and to the benefit of our successors and assigns; provid that you shall not assign any of your rights or obligations hereunder without our pr written consent. We may assign our rights under this Agreement without your conse and without providing you notice of such assignment. This Agreement shall continue in full fo and effect notwithstanding any change in the composition of or membership of any firm or corporati which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you us or may be sent by prepaid registered mail addressed to our address shown above your address shown below, or such further address as we or you may notify to the othin writing from time to time, and if so given the notice shall be deemed to have be given on the day of delivery or the day when it is deemed or otherwise considered have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe a perform the terms and conditions hereof, then we shall, at your request and expension release and discharge the security interest created by this Agreement and execute a deliver to you such deeds and other instruments as shall be required to effect any su release and discharge.

#### 28. ENTIRE AGREEMENT

You admowledge that this is the entire agreement between you and us and there are no other written oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreeme may only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale sh operate to extinguish your liability to make payment of or satisfy the Obligations.

# **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be don executed, acknowledged or delivered every such further act, deed, conveyance instrument, transfer, assignment, security agreement and assurance as we m reasonably require in order to give effect to the provisions and purposes of th Agreement.

#### 31. GOVERNING LAW

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

Gerges

# CERTIFIED TRUE COPY

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard St. E., Toronto, ON M4M 1Y5

# General Security Agreement

Customer: Gamal Farid Gerges

gell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.Desante.net

JUN 0 3 2019

Date:

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accound (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are he collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that a security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and futtiobligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including le fees and expenses) incurred by us in connection with our dealings with you.

# 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, investment Property, Life-Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehoki and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidianes and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accoung, or which may hereafter become due, owing or accoung, to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of hecessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided lurther that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, defined in the *Securities Transfer Act*, 2006 (Ontario), which "control" shall be in summer as we shall designate in our sole judgment and discretion, including, with limitation, an agreement by any issuer or securities intermediary that it will comply winstructions in the case of an issuer or entitlement orders in the case of a securit intermediary, originated by us, whether before or after the occurrence of any continu Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly fromuse or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates Assets and Undertakings destroyed or damaged (all of which property is herein collectively ca "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to rece. all income from or interest on the Collateral consisting of Investment Property, and if receive any such income or interest prior to the occurrence of any continuing Event Default, we agree to pay you such income or interest promptly. After the occurrence any continuing Event of Default, you will not demand or receive any income from interest on such Collateral, and if you receive any such income or interest, such incore or interest shall be held by you in trust for us in the same medium in which received, sh not be commingled with any of your other assets and shall be delivered to us in the for received, properly endorsed to permit collection, not later than the next business d following the day of its receipt. We may apply the net cash receipts from such income interest to payment of any of the Obligations, provided that we account for and pay ov to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiv receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fi (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defe any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or c right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clin basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypoth mortgage, lien, charge, security interest or any other interest or claim including any proprietary or the interest or encumbrance claimed by any third party. You hereby covenant and agree to keep t Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of the parties. You hereby covenant and agree to not sell, give away, part with possession of or otherw clispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsole equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are customal insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the Insurance policy. The insurance policy will name us as first loss payee and additional insure We may, in our absolute discretion, pay any premium due on any insurance policy, including any I insurance policy forming part of the Collateral, and the amount of any premium we pay will be added and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course or your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF 1951584 ONTARIO

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we not any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

# You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

# You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13.** POSITIVE COVENANTS

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we ... ay require;
- (f) continue to carry on, and maintain in good standing, the business being carr on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to ye premises, business, financial and computer records and allow the duplicat or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pled llen, security interest, assignment, charge, or encumbrance (including with limitation, any conditional sale, or other title retention agreement, or final lease) of any nature, upon or with respect to the Collateral, or sign or file um the *Personal Property Security Act* (Ontario) (the "PPSA") or similar regis system of any jurisdiction a financing statement which names you as a debi or sign any security agreement authorizing any secured party thereunder to such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case n be, permit any change of ownership or change your capital structure with our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permit under this Agreement or change the location(s) of the Collateral without + prior written consent.

#### 16. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement rela to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, deb obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreem between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditor: consent to the appointment of a trustee or receiver, or a trustee or receiver shall appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any mate respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or any claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you a partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional goven body is suspended or revoked;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest encumbrance claimed by any third party with respect to any of the Collateral, except for lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including without limitation, guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreem between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, o believe that the Collateral, or any part thereof, or the value thereof, is or is about to be pla in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligation full, whether matured or not, and we may enforce this Agreement by any method permitted by law, we may exercise any rights and remedies under applicable law, and we may appoint any perincluding our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance,

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h)take any other action deemed necessary to carry into effect the provisions of this Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

# 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

# 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or alistain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

# 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations; shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to 1951584 Ontario Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

Address: 14744 Woodbine Ave., Gormley, ON LOH 1G0 or that we may receive by way of confirmation of a security registration in respect of this Agreeme any agreement amending, supplementing or replacing it.

# 26. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and ass and shall enure to our benefit and to the benefit of our successors and assigns; provi that you shall not assign any of your rights or obligations hereunder without our r written consent. We may assign our rights under this Agreement without your con: and without providing you notice of such assignment. This Agreement shall continue in full I and effect notwithstanding any change in the composition of or membership of any firm or corpora which is a narty hereto.

# 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to yo us or may be sent by prepaid registered mail addressed to our address shown above your address shown below, or such further address as we or you may notify to the of in writing from time to time, and if so given the notice shall be deemed to have b given on the day of delivery or the day when it is deemed or otherwise considered have been received for the purposes of the PPSA, as the case may be. 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe perform the terms and conditions hereof, then we shall, at your request and experrelease and discharge the security interest created by this Agreement and execute deliver to you such deeds and other instruments as shall be required to effect any s release and discharge.

## **28. ENTIRE AGREEIVIENT**

You acknowledge that this is the entire agreement between you and us and there are no other writte oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreen may only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale s. operate to extinguish your liability to make payment of or satisfy the Obligations.

# **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be do executed, acknowledged or delivered every such further act, deed, conveyar instrument, transfer, assignment, security agreement and assurance as we n reasonably require in order to give effect to the provisions and purposes of ( Agreement.

## 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Provinci Ontario.

Gamal Farid Gerges

# **CERTIFIED TRUE COPY**

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

LOCATIONS OF COLLATERAL

721 Gerrard St. E., Toronto, ON M4M 1Y5

**DEBTOR 11: SJCPI** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$3,075,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6 December 24, 2019 DATE

# 1. PROMISE TO PAY AND INTEREST

For value received, SJ Colborne Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 2A-164 Colborne Street, West, Brantford, ON N3T 1L2 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Three Million Seventy Five Thousand Four Hundred Fifty Dollars and Zero Cents (\$3,075,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.70% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of February 2020 and up to and including the 1<sup>st</sup> day of January 2025 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	February 1, 2020	January 1, 2025	\$33,750.70
1	January 1, 2025	January 1, 2025	\$1,758,433.56

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

SJ Colborne Pharma Inc. Name: SAMIR SHENODA PRESIDENT Title: BY: Name: Title:

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# General Security Agreement

Customer: SJ Colborne Pharma Inc.

Date:

Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

30 Vogell Road, Suite 1

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "**Collateral**". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

**DEPOSITS AND CREDIT BALANCES** - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

**INVESTMENT PROPERTY** - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "**Proceeds**"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and dear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our , vrior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
   Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different juriscition; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreclation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "**PPSA**") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your Interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or

encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "**Receiver**") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "your," your," and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

SJ Colborr	he Pharma Inc.
BY:	AAR.
Name:	SAMINO SHENOPA
Title:	PRESIDENT

## Address: 2A-164 Colborne Street, West, Brantford, ON N3T 1L2

BY:

Name: Title:

## **DEPOSITS AND CREDIT BALANCES**

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

2A-164 Colborne Street, West, Brantford, ON N3T 1L2

## General Security Agreement

Customer: John Gerges

Date:

Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

30 Vogell Road, Suite 1

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

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**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and oredit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of Interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

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#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing. Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxles given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions In the case of an issuer or entitlement orders In the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or Interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment In full of the Obligations.

#### COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

### INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional Insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Colluteral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

## You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us In writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fall to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- demind, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not Insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security Interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

luperkr

WITNESS

Address: 703-676 Sheppard Ave., East, North York, ON M2K 3E7

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

John Ğerges

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

2A-164 Colborne Street, West, Brantford, ON N3T 1L2

## General Security Agreement

Customer: Samir Shenoda

Date:

Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

30 Vogell Road, Suite 1

December 23 2019

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security Interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture Interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or In an enterprise or which constitute evidence of an obligation of the Issuer (collectively called "Investment Property") induding, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities Intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "**Proceeds**"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or Interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## **11. REPRESENTATIONS AND WARRANTIES**

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any Investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default Immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnershlp, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

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- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (induding, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

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We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

Ree ou

WITNESS

Address: 1543 Morse Place, Milton, ON L9T 5V4

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Nelther the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

2A-164 Colborne Street, West, Brantford, ON N3T 1L2

**DEBTOR 12: TAP** 

\$720,450.00 PRINCIPAL

**CWB Maxium Financial Inc.** Suite #1 - 30 Vogell Road **Richmond Hill, Ontario** L4B 3K6

March 11 2016

## 1. PROMISE TO PAY AND INTEREST

For value received, Toronto Apothecary Pharma Inc. (referred to in this Promissory Note (the "Note") as "your" and "yours") with offices located at 842 Markham Rd., Scarborough, ON M1H 2Y2 promises to pay to CWB Maxium Financia Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Seven Hundred Twenty Thousand Four Hundred Fifty Dollars and Zero Cents (\$720,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of April 2016 and up to and including the 15<sup>th</sup> day of March 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	April 15, 2016	March 15, 2021	\$7,913.31
1	March 15, 2021	March 15, 2021	\$411,791.54

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8, LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

## Toronto Apothecary Pharma Inc.

BY: \_\_\_\_\_\_\_\_\_ Name: DIEP NGUYEN

PRESIDENT Title:

BY:\_\_\_

Name: Title:

## **General Security Agreement**

Customer:	Toronto Apothecary Pharma Inc.	Date:	March

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee: (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defenc any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thirc parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

 Yogell Road, Suite 1 .mond Hill, Ontario L4B 3K6
 www.maxium.net

2016

remove the Collateral from this location (except in the ordinary course ... ar business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us {without any condition, deduction, set-off or holdback} at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as .iay require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any materia respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence or any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (induding, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REIVIEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations ir full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;

- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CW8 Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVE

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Toronto Apothecary Pharma Inc.			
BY:	du	ΒΥ:	
Name:	DIEP NOUVEN	Name:	
Title:	PRESIDENT	Títle:	

## Address: 842 Markham Rd., Scarborough, ON M1H 2Y2

## SCHEDULE A

.

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

842 Markham Rd., Scarborough, ON M1H 2Y2

## General Security Agreement

Customer: Bless

Bless Pharma Inc.

Date:

Vogell Road, Suite 1 isichmond Hill, Ontario L4B 3K6 www.maxlum.net

Mai

March 2016 11

## SECURITY INTEREST

in consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such Income or Interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement o notice of it, reposters, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee (Including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clien basis,

## 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or claim including any proprietary or true interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of this parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolet equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarill insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any lif insurance policy forming part of the Collateral, and the amount of any premium we pay will be added t and form part of the Obligations.

## 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course J, your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.
- 13. POSITIVE COVENANTS

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance (ease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permittee under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends redemption or retraction payments or any other amounts in respect to any o your common shares, preferred shares or any other outstanding capita stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relatin to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt c obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors c consent to the appointment of a trustee or receiver, or a trustee or receiver shall b appointed for you or for a substantial part of your property without your consent;
- (e) banknuptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any materi respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyor claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for an lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, I guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreeme between us; or
- any other event occurs which causes us in good faith, to deem ourselves insecure, or believe that the Collateral, or any part thereof, or the value thereof, is or is about to be place in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations full, whether matured or not, and we may enforce this Agreement by any method permitted by law, a we may exercise any rights and remedies under applicable law, and we may appoint any perso including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of t Collateral. We and the Receiver shall be entitled to:

## (a) seize and possess the Collateral;

(b) carry on your business;

- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are Insufficient to repay us the Obligations in full, then you for thwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEAUNG WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## Bless Pharma Inc. BY: BY: Name: JOHN GERGEN Name: \_\_\_\_\_\_ Title: \_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_ PRIESI DENT \_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_

## Address: 721 Gerrard St. E. Toronto, ON M4M 1Y5

#### 24. ACIONOWLEDGEMENT & WAIVE.

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTIRE AGREEMENT**

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any Judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province  $\boldsymbol{o}$  Ontario.

## DEPOSITS AND CREDIT BALANCES

Unlimited

## INVESTMENT PROPERTY

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

842 Markham Rd., Scarborough, ON M1H 2Y2 721 Gerrard St. Ε. Τοroπto, ON M4M 1Y5

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## General Security Agreement

Customer: Jo

John Gerges

www.n

Date:

'ogell Road, Suite 1 .mond Hill, Ontario L4B 3K6 www.maxium.net

0105

March 11

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

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### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

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If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively callec "Proceeds"). Proceeds shall be received and held by you in trust for us.

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Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee: (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defenc any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thirr parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

## 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course ... ur business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as analy require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of pr damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance (ease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "**PPSA**") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was fake in any materia respect when made, or becomes fake;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence or any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

 (h) take any other action deemed necessary to carry into eff, e provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations In full, then you for thwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law,

### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

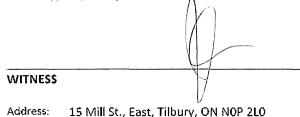
In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register



or that we may receive by way of confine or unof a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario,

John Gerge

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

15 Mill St., East, Tilbury, ON NOP 2L0 842 Markham Rd., Scarborough, ON M1H 2Y2

# General Security Agreement

Customer: 2503338 Ontario Inc.

inchmond Hill, Ontario L4B 3K6 www.maxium.net

Date:

March 11 2016

Vogell Road, Suite 1

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

f any of the Collateral consists of Investment Property, (a) you authorize us to cransfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and spon demand and receipt of payment of necessary expenses thereof, shall give rou or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered where, and agree that no proxy or proxies given to you or your designee by us hall thereafter be effective; and (b) you further agree to execute such other locuments and to perform such other acts, and to cause any issuer or securities ntermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively callec "Proceeds"), Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and feer (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defenc any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance clakmed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thirr parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, including any life Insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

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### **11. REPRESENTATIONS AND WARRANTIES**

'ou hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

'ou will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

'ou agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (I) notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- you or any other person fiable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any materia respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are dedared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence or any ken or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

## 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations ir full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;

- (C) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance:
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. f the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

'ou irrevocably appoint us your attorney, with power of substitution and appointment, to sign for rou, at our option, all documents necessary or desirable to permit us to exercise any of our rights ind remedies under this Agreement and to complete the Schedule attached hereto, with the ight to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Iny breach by you of this Agreement or the occurrence of an Event of Default may only be vaived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed o be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the erms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking idvantage of our security interest in the Collateral and otherwise deal with any of the Collateral as ve shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened igainst the Collateral. In addition, we or the Receiver may borrow money required or the maintenance, preservation or protection of the Collateral and may grant urther security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the imounts so paid or borrowed together with costs, charges, and expenses incurred n connection therewith shall become part of the Obligations, shall bear interest at he highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as ve see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

n this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of his Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVEL

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTIRE AGREEMENT**

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

2503338	B Ontario Inda.		
3Y: <sup>-</sup>	· 27012	BY:	
Vame:	JOHN GERGES	Name:	
ſitle:	PRESIDENT	Title:	

#### Address: 1715 Victoria Ave., Scarborough, ON M1R 1R7

## DEPOSITS AND CREDIT BALANCES

## Unlimited

**INVESTMENT PROPERTY** 

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

1715 Victoria Ave., Scarborough, ON M1R 1R7

.

**DEBTOR 13: TSPI** 

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$950,450.00 PRINCIPAL CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

March 3

## 1. PROMISE TO PAY AND INTEREST

For value received, Toronto Surrey Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 1715 Victoria Park Ave., Scarborough, ON M1R 1R7 promises to pay to CWB Maxium Financia Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Nine Hundred Fifty Thousand Four Hundred Fifty Dollars and Zero Cents (\$950,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of May 2016 and up to and including the 1<sup>st</sup> day of April 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 6 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	May 1, 2016	April 1, 2021	\$10,434.66
1	April 1, 2021	April 1, 2021	\$542,997.54

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liguidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

#### 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Toronto Surrey Pharma Inc.
BY:
Name: JONN GERGES
Title: PREIDENT
ВҮ:
Name: Title:

## **General Security Agreement**

Toronto Surrey Pharma Inc.

Customer:

'ogell Road, Suite 1 ....nmond Hill, Ontario L4B 3K6 www.maxium.net

Date:

March 30 2016

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums,

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and {b} you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole Judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the Industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary cours. Jur business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Dur sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as ... may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;

- (c)sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life (e) Insurance:
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h)take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is Invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# Toronto Surrey Pharma Ir BY: Name: Title: 0ES

### 24. ACKNOWLEDGEMENT & WAIVEL

You acknowledge receipt of a copy of this Agreement. You walve any right you may have to receive copy of any financing statement, verification statement, or similar document we register or that we ma receive by way of confirmation of a security registration in respect of this Agreement or any agreemer amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assign and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prio written consent. We may assign our rights under this Agreement without your consenand without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have beer given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

BY:

Name: Title:

#### 1715 Victoria Park Ave., Scarborough, ON M1R 1R7 Address:

# DEPOSITS AND CREDIT BALANCES

# Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

1715 Victoria Park Ave., Scarborough, ON M1R 1R7

# **General Security Agreement**

Customer: John Gerges	Customer:	John	Gerges
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www.maxium.net

Date:

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`'ogell Road, Suite 1 .mond Hill, Ontario L4B 3K6

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Account (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are here collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that su security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and futuobligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legfees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in su manner as we shall designate in our sole judgment and discretion, including, witho limitation, an agreement by any issuer or securities intermediary that it will comply we instructions in the case of an issuer or entitlement orders in the case of a securiti intermediary, originated by us, whether before or after the occurrence of any continuit Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from a use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates Assets and Undertakings destroyed or damaged (all of which property is herein collectively call "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receiall income from or interest on the Collateral consisting of Investment Property, and if v receive any such income or interest prior to the occurrence of any continuing Event Default, we agree to pay you such income or interest promptly. After the occurrence any continuing Event of Default, you will not demand or receive any income from interest on such Collateral, and if you receive any such income or interest, such incom or interest shall be held by you in trust for us in the same medium in which received, shnot be commingled with any of your other assets and shall be delivered to us in the for received, properly endorsed to permit collection, not later than the next business d following the day of its receipt. We may apply the net cash receipts from such income interest to payment of any of the Obligations, provided that we account for and pay ov to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiv receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fe (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defe any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or c right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own clie basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothmortgage, lien, charge, security interest or any other interest or claim including any proprietary or the interest or encumbrance claimed by any third party. You hereby covenant and agree to keep t Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of th parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwiclispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsole equipment) without our prior written consent

# 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customal insured by businesses in the industry in which you are engaged. If requested, you will provide us with copy of the insurance policy. The insurance policy will name us as first loss payee and additional insure. We may, in our absolute discretion, pay any premium due on any insurance policy, including any I insurance policy forming part of the Collateral, and the amount of any premium we pay will be added and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# **11. REPRESENTATIONS AND WARRANTIES**

### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (f) continue to carry on, and maintain in good standing, the business being carrie on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to you premises, business, financial and computer records and allow the duplicatio or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to th Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledg lien, security interest, assignment, charge, or encumbrance (including withou limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar regists system of any jurisdiction a financing statement which names you as a debto or sign any security agreement authorizing any secured party thereunder to fi such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitte under this Agreement or change the location(s) of the Collateral without or prior written consent.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, a "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relativ to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreeme between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors consent to the appointment of a trustee or receiver, or a trustee or receiver shall i appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any mater respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyou daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence any lien or any other interest or claim including any proprietary or trust interest encumbrance claimed by any third party with respect to any of the Collateral, except for a lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, i guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreeme between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placin jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations full, whether matured or not, and we may enforce this Agreement by any method permitted by law, all we may exercise any rights and remedies under applicable law, and we may appoint any persc including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of t Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for t Accounts, compromise any Accounts which may seem bad or doubtful to us and give time t payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

(h) take any other action deemed necessary to carry into eh. In provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEAUNG WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

# 21. PAVIMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

# 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

# Address: 15 Mill St., East, Tilbury, ON NOP 2LO

or that we may receive by way of confine on on a security registration in respect of this Agreement any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assig and shall enure to our benefit and to the benefit of our successors and assigns; provid that you shall not assign any of your rights or obligations hereunder without our pri written consent. We may assign our rights under this Agreement without your conse and without providing you notice of such assignment. This Agreement shall continue in full for and effect notwithstanding any change in the composition of or membership of any firm or corporatiwhich is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you us or may be sent by prepaid registered mail addressed to our address shown above your address shown below, or such further address as we or you may notify to the oth in writing from time to time, and if so given the notice shall be deemed to have be given on the day of delivery or the day when it is deemed or otherwise considered have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe all perform the terms and conditions hereof, then we shall, at your request and expensivelease and discharge the security interest created by this Agreement and execute all deliver to you such deeds and other instruments as shall be required to effect any su release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreememay only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale sh operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be don executed, acknowledged or delivered every such further act, deed, conveyanc instrument, transfer, assignment, security agreement and assurance as we m reasonably require in order to give effect to the provisions and purposes of the Agreement.

#### 31. GOVERNING LAW

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

John Gerges

# CERTIFIED TRUE COPY

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill St., East, Tilbury, ON NOP 210 842 Markham Rd., Scarborough, ON M1H 2Y2

# General Security Agreement

Customer: Surrey Drug Mart Ltd.

/ogell Road, Suite 1 ....nmond Hill, Ontario L48 3K6 www.maxium.net

Date:

March 30 2016

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are hereir collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may herealter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third partles. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course \_\_\_\_\_\_, our business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral In our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not vlolate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as ... may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;

- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

urrey Drug Mart Ltd
Y: C (C)
ame: JOHN CHERGES
itle: <u>PRBIDEN7</u> t

### 24. ACKNOWLEDGEMENT & WAIVEN

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreemen amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assign: and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreementshall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto.

# 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

BY:

Name: Title:

#### Address:

1715 Victoria Ave., Scarborough, ON M1R 1R7

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

1715 Victoria Ave., Scarborough, ON M1R 1R7

# **Seneral Security Agreement**

lustomer:	Toronto Apothecary Pharma Inc.	Date:	March 11 7	3016

# **ECURITY INTEREST**

n consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein ollectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such ecurity interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### NDEBTEDNESS AND LIABILITY SECURED

ou agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal sets and expenses) incurred by us in connection with our dealings with you.

## DEFINITIONS OF COLLATERAL

SSETS AND UNDERTAKINGS - all of your present and after acquired personal property and indertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and Il real and immovable property both freehold and leasehold, except for the last day of the term of inv lease.

NVENTORY - all presently owned and after acquired goods and other property held for sale or ease or that have been leased or that are to be furnished or have been furnished under a ontract of service, or that are raw materials, work in process, or materials used or consumed in our business or profession.

:QUIPMENT - all presently owned and after acquired goods that are owned by you other than wentory and consumer goods.

JEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may rereafter be on deposit with or standing to your credit with us, and/or with any of our ubsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit valances, if no amount is set out on Schedule A) and any amount of interest due or accruing due o you in connection with any such deposit or credit balance.

NVESTMENT PROPERTY - all present and future investment property held by you, neluding securities, shares, options, rights, warrants, joint venture interests, neterests in limited partnerships, trust units, bonds, debentures and all other locuments which constitute evidence of a share, participation or other interest of 'ours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, my investment Property specifically identified in Schedule A; and all substitutions therefor ind, subject to Section 5, dividends and income derived therefrom.

IFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds lerived therefrom, and any amounts held by the insurer as pre-paid premiums or for the layment of future premiums.

#### . ACCOUNTS

'ou absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, ind moneys now due, owing, accruing, or which may hereafter become due, owing or accruing o you, together with all rights, benefits, security interests, mortgages, instruments, rights of iction, deeds, books and records and documents now or hereafter belonging to you in respect of *x* as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall is a continuing security to us for the Obligations. All money or any other form of payment eceived by you in payment of any Accounts shall, following any continuing Event of Default inder this Agreement, be received and held by you in trust for us.

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'ogell Road, Suite 1

www.maxium.net

aond Hill, Ontario L4B 3K6

### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

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#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fee: (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defenc any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trusi interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of thirr parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

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# 11. REPRESENTATIONS AND WARRANTIES

### /ou hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

'ou will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

# 13. POSITIVE COVENANTS

'ou agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as a require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, ilen, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permittee under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, ar "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any materia respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence or any lien or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (j) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any of all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;

- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to USE your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking sdvantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred n connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

n this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of his Agreement shall remain in full force and effect.

# 24. ACKNOWLEDGEMENT & WAIVL

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

# 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

Foronto /	Apothecary Pharma Inc.		
3Y:	du	BY:	
Name: Fitle:	DIEP NOUVEN PRESIDENT	Name: Title:	

# Address: 842 Markham Rd., Scarborough, ON M1H 2Y2

# CERTIFIED TRUE COPY

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

342 Markham Rd., Scarborough, ON M1H 2Y2

**DEBTOR 14: WHI** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$900,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

January 22, 2018

# 1. PROMISE TO PAY AND INTEREST

For value received, Westway Holdings Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 160 The Westway, Etobicoke, ON M9P 2C1 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Nine Hundred Thousand Four Hundred Fifty Dollars and Zero Cents (\$900,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 6.15% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1st day of each and every month commencing on the 1<sup>st</sup> day of March 2018 and up to and including the 1<sup>st</sup> day of February 2023 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	March 1, 2018	February 1, 2023	\$10,080.07
1	February 1, 2023	February 1, <b>2023</b>	\$5 <b>19</b> ,520.44

Each instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Westway Holdings Inc.

Name: RAMACHAND RAN RAMAPATHY Title: PRESDENT

BY:\_\_\_\_

Name: Title:

# **General Security Agreement**

Customer: Westway Holdings Inc.

50 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 cwbmaxium.com

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of anylease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities Intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Date:

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own dient basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.
- 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of: {a} as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (induding, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be antitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deerned to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Westway H	oldings Inc.	
BY:	Adamlu	$\bigcirc$
Name:	RAMACHANORAM	RAMAPATHY
Title:	PRETIDENT	

# Address: 160 The Westway, Etobicoke, ON M9P 2C1 Security Agreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontarto.

BY:

Name: Title:

# SCHEDULE A

 $\mathbf{e}^{-1}\mathbf{e}$ 

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

160 The Westway, Etobicoke, ON M9P 2C1

# General Security Agreement

Customer: St. Marina & St. Abraam Ltd.

SU Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 cwbmaxium.com

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTIVENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Date:

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and If we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be heid by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7, FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAKIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violete any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.
- 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.30x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:
   (b) as the denominator, the aggregate sum of all bank charges and all principat

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in Jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral:
- (d) foreclose on the Collateral;
- in the case of Life insurance, exercise any options available to you under the Life insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

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You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

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We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

St. Marina	& St. Abraam Ltd.
BY:	Band
Name:	R MALACHANDRAN RAMAPATHY
Title:	PRESIDENT

# Address: 160 The Westway, Etobicoke, ON M9P 2C1 Security Agreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

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#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY:

Name: Title:

Page 3 of 4

# <u>SCHEDULE A</u>

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

160 The Westway, Etobicoke, ON M9P 2C1

# General Security Agreement

Customer: Ramachandran Ramapathy

m.www.m

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

NHON

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and include and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

**UFE INSURANCE** - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to Such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, property endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own dient basis.

# 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit,

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

# **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or dalm including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (inducting, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (f) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- demand, sue for and receive Accounts, give effectual receipts and discharges for the (f) Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- make any arrangement or compromise in our interest, or (g)
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a walver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You advowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

MRauperscol IESS MARSHA RAMPA

Address: 25 (	Pallomino	Crescent
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North York, ON M2K 1W2

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You advnowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

# **Ramachandran Ramapathy**

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

25 Pallomino Crescent, North York, ON M2K 1W2

CWB Maxium Financial Inc.		30 Jell Road, Suite 1 Richmond Hill, Ontario L4B 3K6
General Security Agreement	D-1-	www.maxium.net Arishin 18 2016
Customer: John Gerges	Date:	

#### SECURITY INTEREST

in consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

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#### 1. DEFINITIONS OF COLLATERAL

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INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - oil presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidianes and affiliates, up to the amount set out on Schedule A (or, all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in a entorprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

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#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a cuntinuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and hold by you in trust for us.

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### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Invastment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the accurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingied with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the matter of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encurnhrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of Joss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any Insurance policy, including any life Insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations,

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without one prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be doemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any collection to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (5) if applicable, you are a corporation duly existing, or a partnership duly astablished, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your ousiness as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and outhority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereundor;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you, and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement open request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (c) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such socurity as we may require;
  - continue to carry on, and maintain is good standing, the business being carried on by you at the date hereof;
  - (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
  - (h) notify us in writing at least 20 days prior to any change of your name; and
  - notify us in writing promptly of any significant loss of or damage to the Collateral.
  - 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, piedge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case (risy be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withhold; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other roan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was fake in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (ii) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or dains including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (i) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collatoral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.
- 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations In full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

Security Agreement

take any other action deemed necessary to carry into effect the provisions of this lihi Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way reportible for any misconduct or negligence on the part of the Receiver If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to urrie

#### 17. POWER OF ATTORNEY

You rrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our nights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name

#### 18. NON WAIVER BY US

Any hierach by you of this Agreement or the occurrence of an Event of Default may only be walved by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENGLIMERANCES

#### We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Apreement

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above "We", "our", "ours", and "us" refer to CWB Maxium Financial inc.

#### 23, CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS ROUPH AMENAGE LESTIC

14474 Woodbine Ave., Gormley, ON LOH 1G0

Address

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent. and without providing you notice of such assignment. This Agreement shall continue in full force. and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

tal	10
John Gerger	

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7

# **DEBTOR 15: RMGI**

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$730,450.00 PRINCIPAL Desante Financial Services Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

FEBRUARY 26th /2016

#### 1. PROMISE TO PAY AND INTEREST

For value received, Resident Medical Group Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 15 Mill St. Tilbury, ON NOP 2L0 promises to pay to Desante Financial Services Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Seven Hundred Thirty Thousand Four Hundred Fifty Dollars and Zero Cents (\$730,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") as well after as before maturity and both before and after default or judgement ("Interest") and interest on overdue Interest at 18% per annum (provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law).

### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of April 2016 and up to and including the 1<sup>st</sup> day of March 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	April 1, 2016	March 1, 2021	\$8.023.15
<u> </u>	March 1, 2021	March 1, 2021	\$417,507.18

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

### 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liguidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

#### 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire and le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

# 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note.

**Resident Medical Group Inc.** 

Name Title: Name: Selvia Georges Title: Secretary - Treasurer We have authority to bind the Corporation.

# AMENDING AGREEMENT

BETWEEN:	Resident Medical Group Inc. 15 Mill St. Tilbury, On NOP 2L0		
		(hereinafter called the "Borrower")	
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")	

**WHEREAS** the parties hereto have entered into Fixed Rate Promissory Note dated February 26, 2016 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

# **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
48	April 1, 2016	March 1, 2020	\$8,023.15
3	April 1, 2020	June 1, 2020	\$0.00
9	July 1, 2020	March 1, 2021	\$8,023.15
1	March 1, 2021	March 1, 2021	\$442,755.34

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

8<sup>th</sup> day of April,2020.

CWB MAXIUM FINANCIAL INC.

By:

Name & Title:



By:

Name & Title:

#### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,050,450.00

PRINCIPAL

1951584 Ontario Inc. (Formerly Desante Financial Services Inc.) Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

MAR 0 2 2017

DATE

#### **1. PROMISE TO PAY AND INTEREST**

For value received, Resident Medical Group Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 4245 Sheppard Ave. E. Toronto, ON M1S 1T6 promises to pay to 1951584 Ontario Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of One Million Fifty Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,050,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

#### 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of April 2017 and up to and including the 1st day of March 2022 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	April 1, 2017	March 1, 2022	\$11,528.15
1	March 1, 2022	March 1, 2022	\$599,900.15
		······································	

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# **3. ACCELERATION**

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

## AMENDING AGREEMENT

BETWEEN: Resident Medical Group Inc. 4245 Sheppard Ave. E. Toronto, ON M1S 1T6 (hereinafter called the "Borrower") AND CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6 (hereinafter called "CWB Maxium")

WHEREAS the parties hereto have entered into Fixed Rate Promissory Note dated March 2, 2017 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

## **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
36	April 1, 2017	March 1, 2020	\$11,528.15
3	April 1, 2020	June 1, 2020	\$0.00
21	July 1, 2020	March 1, 2022	\$11,528.15
1	March 1, 2022	March 1, 2022	\$638,320.10

Except as set out herein, all other terms and conditions of the Promissory Note shall remain infull force and effect.

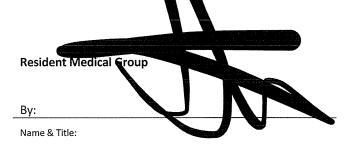
IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Nete

8<sup>th</sup> day of April,2020.

CWB MAXIUM FINANCIAL INC.

By:

Name & Title:



the

By:

Name & Title:

#### FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,800,450.00

PRINCIPAL

1951584 Ontario Inc. (Formerly Desante Financial Services Inc.) Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

September 30 2017 DATE

#### 1. PROMISE TO PAY AND INTEREST

For value received, Resident Medical Group Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 6633 Highway #7 East, Markham, ON L3P 7P2 promises to pay to 1951584 Ontario Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of One Million Eight Hundred Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,800,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.95% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of November 2017 and up to and including the 15<sup>th</sup> day of October 15, 2022 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	November 15, 2017	October 15, 2022	\$19,985.77
1	October 15, 2022	October 15, 2022	\$1,035,019.75

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

#### 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

#### 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "**Relevant Period**"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

#### 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

**Resident Medical Group Inc.** 

Y GERLIES Name: SALL

Name: SAFELY GERCIE Title: RESIDENT

BY:\_\_\_\_

Name: Title:

# AMENDING AGREEMENT

BETWEEN:	Resident Medical Group Inc. 6633 Highway #7 East Markham, ON L3P 7P2	
		(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")

**WHEREAS** the parties hereto have entered into Fixed Rate Promissory Note dated September 30, 2017 (the "Promissory Note ") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

AND WHEREAS the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

## **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
29	November 15, 2017	March 15, 2020	\$19,985.77
3	April 15, 2020	June 15, 2020	\$0.00
28	July 15, 2020	October 15, 2022	\$19,985.77
1	October 15, 2022	October 15, 2022	\$1,104,225.04

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissor ote on the

8<sup>th</sup> day of April,2020.

CWB MAXIUM FINANCIAL INC.

By:

Name & Title:



By:

Name & Title:

General Security Agreement Customer: John Gerges	Date:	Richmond Hill, Ontario L4B 3K6 www.maxium.net February 26 12016
Desante Financial Services Inc.		30 Vogell Road, Suite 1

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mongages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in fust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without-limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### **10. LIMITATION ON OBLIGATIONS OF DESANTE**

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of **Default**"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a count, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour,
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

#### (g) make any arrangement or compromise in our interest, or

 take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or after any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You advnowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

WITNESS

Address: 15 Mill St. E. Tilbury, ON NOP 2L0

Stephen L. Cappe Barrister & Solicitor 1501 - 5001 Yonge Street. Toronto, Ontario M2N 6P6 Tel: (416) 366-7305 • Fax: (416) 630-5906 e-muil: slc@slcappslaw.com document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

John Gerges

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill St. E. Tilbury, ON NOP 2L0

# Desante Financial Services In

# **General Security Agreement**

Customer: Bless Pharma Inc.

Date:

MAY 5,2014

Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

www.maxium.net

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been lumished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accuing due to you in connection with any such deposit or credit balances.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the Ife Insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums onfor the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and imoneys now due, owing, accruing, or which may hereafter become due, owing or accounting to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Dafault, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### Security Agreement

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you. 4. **PROCEEDS** 

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called 'Proceeds'). Proceeds shall be received and held by you in frust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or set the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal dain or counterclaim by you or others respecting the mariner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Colateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and dear of all takes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior witten consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, then or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Collateral.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

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remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF DESANTE

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collact or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. HEPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a tegal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to lime.
- 13. POSITIVE COVENANTS

#### You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

- (e) provide such security as we may require;
- continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in detault under this Agreement upon the happening of any of the following events (each, an 'Event of Default');

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereot;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become inscivent or bankrupt or make an assignment for the banefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone dams to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the inancial information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the 'Receiver') of the Colateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

- make any arrangement or compromise in our interest, or  $(\alpha)$
- take any other action deemed necessary to cany into effect the provisions of (h)this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations In full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hareto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We of the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed logether with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see it, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. It any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You admowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

Bless Pha		
BY:	KER!	to
Name:	John Gerges	
Title:	President	

#### Address: 721 Gerrard St. E. Toronto, ON M4M 1Y5

document we register or that we may receive by way of confirmation of a security registration in

respect of this Agreement or any agreement amending, supplementing or replacing it

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in kull lorge and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and it so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and periorm the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Apreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, dead, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY:

Name: Title:

# **CERTIFIED TRUE COPY**

Security Agreement

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard St. E. Toronto, ON M4M 1Y5

Security Agreement

Page 4 of 4

# Desante Financial Services In

# General Security Agreement

Customer: S & J Property Investors Inc.

Date:

Richmond Hill, Ontario L4B 3K6 www.maxium.net MAY 5,2014

0 Vogeli Road, Suite t

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebiedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

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EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and alfiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property hold by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, whout imitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

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#### ACCOUNTS 2.

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mongages, instruments, rights of action, deads, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and hald by you in trust for Us.

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#### Security Agreement

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or enlittement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without lurther consent from you. PROCEEDS 4

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for US.

#### INCOME AND INTEREST ON INVESTMENT PROPERTY 5.

Until the occurrence of any continuing Event of Delault, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and II you receive any such income or interest, such income or interest shall be held by you In trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day tollowing the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in tull of the Obligations.

#### COSTS AND EXPENSES 6.

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or courterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### FREE AND CLEAR 7.

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agroe to keep the Colateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### INSURANCE R.

You will, at your cost, keep the Collateral insured from all risk of loss, theit or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be edded to and form part of the Oblgations.

#### LOCATION OF COLLATERAL 9.

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF DESANTE

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable tor failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your reguest or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currontly carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equily;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable faw or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certilicate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material filigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a fien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

- (e) provide such security as we may require;
- continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, securily interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or linance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a deblor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security Interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become inscivent or bankrupt or make an assignment for the banefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- banknuptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Colateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a parimership, a partner dies;
- (i) you pledge, encumber, motgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour,
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- any other event occurs which causes us in good fath, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or aft of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubitul to us and give time for payment thereof with or without security;

- (a) make any anangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of (h) this Adreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You inevocably appoint us your altomey, with power of substitution and appointment, to sion for you, at our option, at documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be walved by us in writing. Any walver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Cotaleral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement,

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22 DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or vold, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAVER

You advictiged a receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar

S & J Property Investors Inc.				
8Y:	Fet			
Name:	Gamal Gerges			
Title:	President			

Address: 7.	21	Gerrard	St.	Ε.	Toronto,	ON.	M4M	1Y5
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document we register or that we may receive by way of continuation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it. 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto. 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be,

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You advnowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Colateral or to this Agreement. This Agreement may only be amended by an agreement in witing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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



# Name: Tille:

# **CERTIFIED TRUE COPY**

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

721 Gerrard St. E. Toronto, ON M4M 1Y5

Security Agreement

Desante Financial Services Inc.		30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6
General Security Agreement Customer: Resident Medical Group Inc.	Date:	February 26th 2016.
	-	

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

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You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and fiability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and alfiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the fife insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mottgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in tust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securitles Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

. . .

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior witten consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your skinature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF DESANTE

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any detay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been refied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may entorce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

(a) seize and possess the Collateral;

- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

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In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

# 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and it so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Coltateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such lurther act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

**Resident Medical Group Inc.** BY: BY: Name: Name: Title: Title: reasures. We have authority to bind the Corporation. Address: 15 Mill St. E. Tilbury, ON NOP 2L0

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill St. E. Tilbury, ON NOP 2L0

# **Desante Financial Services Inc.**

# General Security Agreement

Customer: Sally Gerges

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

2016 chruge

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral ecquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Oredit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and Intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, moitgages, instruments, tights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### **10. LIMITATION ON OBLIGATIONS OF DESANTE**

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

(e) provide such security as we may require;

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- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or tile under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of oreditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour,
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

#### (g) make any arrangement or compromise in our interest, or

#### (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or after any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or vold, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy-gh any financing statement, verification statement, or similar

WITNESS

Address: 14774 Woodbine Ave., Richmond Hill, ON L0H 1G0

Stephen L. Cappe Barrister & Solicitor 1501 - 5001 Yonge Street, Turonto, Ontario M2N 6P6 Tel: (416) 366-7305 \* Fax: (416) 630-5906 c-mail: slc@picspp:day.com document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any time or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such turther address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of selzure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill St. E. Tilbury, ON NOP 2L0

# **Desante Financial Services Inc.**

# **General Security Agreement**

Customer: Selvia G. Gerges Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

February	26	20	16

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been niven.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### DEFINITIONS OF COLLATERAL 1.

ASSETS AND UNDERTAKINGS - at of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES · al monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### ACCOUNTS 2.

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages. instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### INVESTMENT PROPERTY 3.

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which 'control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS 4.

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for US.

#### INCOME AND INTEREST ON INVESTMENT PROPERTY 5.

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you In trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to delend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### FREE AND CLEAR 7.

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9 LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF DESANTE

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

#### You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

# 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promplly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- banknuptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by faw, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the **'Receiver')** of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;

- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Desante Financial Services Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing-statement, verification statement, or similar

WITNESS

Address: 14774 Woodbine Ave., Richmond Hill, ON LOH 1G0

Stephen L. Cappe Barrister & Solicitor 1501 - 5001 Yonge Street. Toronto, Ontario M2N 6P6 Tel: (416) 366-7305 • Past. (416) 630-5906 c-tail: clc@slcoppstaw.com

#### document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it. 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the taws of the Province of Ontario.

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

15 Mill St. E. Tilbury, ON NOP 2L0

**DEBTOR 16: SCPI** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,725,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6 August 15 2016

# 1. PROMISE TO PAY AND INTEREST

For value received, Stoney Creek Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 800 Queenston Rd., Stoney Creek, ON L8G 1A7 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of One Million Seven Hundred Twenty Five Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,725,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of October, 2016 and up to and including the 1<sup>st</sup> day of September, 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	October 1, 2016	September 1, 2021	\$18,978.92
1	September 1, 2021	September 1, 2021	\$987,622.69

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each instalment payment. due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Stoney Creek Pharma Inc.		
BY: Name: Title:	JOHN GERLIES PRESIDENT	
BY:		
Name: Title:		

## AMENDING AGREEMENT

BETWEEN:	Stoney Creek Pharma Inc. 800 Queenston Rd., Stoney Creek, ON L8G 1A7	
		(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")
		(hereinareer danea "erre maxiantry

**WHEREAS** the parties hereto have entered into Fixed Rate Promissory Note dated August 18, 2016 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

# **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
42	October 1, 2016	March 1, 2020	\$18,978.92
3	April 1, 2020	June 1, 2020	\$0.00
15	July 1, 2020	September 1, 2021	\$18,978.92
1	September 1, 2021	September 1, 2021	\$1,049,085.51

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

13<sup>th</sup> day of April,2020.

**CWB MAXIUM FINANCIAL INC.** 

Stoney Creek Pharma In
ву:

Name & Title:

By:	

Name & Title:

By:

Name & Title:

# **General Security Agreement**

Customer:	Stoney Creek Pharma Inc.	Date:	August 18 2016
			77 1

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture Interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, clemands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

cwbmaxium.com

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay allegal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solidtor and cown client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, Including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with slmilar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us the RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- (d) advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent Information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio {"DSC Ratio"} of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default");

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or

encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- you incur any indebtedness for borrowed money (induding, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20, PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be rinterest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Stoney Cre	eek Pharma me
BY:	HAY
Name: 🖌	JOHNI GERGES
Title:	PREJOENT

#### Address: 800 Queenston Rd., Stoney Creek, ON L8G 1A7

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your helrs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

#### 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

BY: Name:

Title:

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7

# General Security Agreement

Customer: Diep Nguyen

Date:

30 vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxium.net

1911/ 2016

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

(NVENTORY + all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securitles, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

# 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral, provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to your or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

## to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

# 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

## 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

# You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each 'jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

# 13. POSITIVE COVENANTS

#### You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

# Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was fabe in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fall to deliver to us on a timely basis the financial information required by any agreement between us; or
- (i) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

# 16. REIVIEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

## take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

# 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

# 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

WITNESS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verifidation statement, or similar document we register

Address: 309-2088 Lawrence Ave., W. North York, ON M9N 3Z9

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

# 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of selzure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Diep Nguyen

# SCHEDULE A

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# DEPOSITS AND CREDIT BALANCES

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Unlimited

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# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7

# **CWB Maxium Financial Inc.**

# General Security Agreement

Customer:	John Gerges	Date:	Migust 18 2016
			1 1 1

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

## EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2005* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

www.maxium.net

## PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

# 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured, We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

# 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

# You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

# You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

## You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

(h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time

## 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

# 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be ar interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

RALPH MILLABL LESINE

Address: 14474 Woodbine Ave., Gormley, ON LOH 1G0

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

# 31. GOVERNING LAW

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

John Ge

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7

**DEBTOR 17: SJEPI** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$2,465,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

# **1. PROMISE TO PAY AND INTEREST**

For value received, SJ East Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 12 Elizabeth Street, Brighton, ON KOK 1H0 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Two Million Four Hundred Sixty Five Thousand Four Hundred Fifty Dollars and Zero Cents (\$2,465,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.95% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of September 2017 and up to and including the 1<sup>st</sup> day of August 2022 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	September 1, 2017	August 1, 2022	\$27,336.40
1	August 1, 2022	August 1, 2022	\$1,415,692.14

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

# 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

SJ East Pharma Inc.			
BY:	Steph		
Name:	JOHN GTERLIES		
Title:	PREIDENT		

ВҮ:	 
Name: Title:	

# AMENDING AGREEMENT

BETWEEN:	SJ East Pharma Inc. 12 Elizabeth Street Brighton, ON KOK 1HO	(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")

**WHEREAS** the parties hereto have entered into Promissory Note DFSPN1-1 dated July 25, 2017 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

# **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
31	September 1, 2017	March 1, 2020	\$27,336.40
3	April 1, 2020	June 1, 2020	\$0.00
26	July 1, 2020	August 1, 2022	\$27,336.40
1	August 1, 2022	August 1, 2022	\$1,509,418.90

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Nate on the

7<sup>th</sup> day of April, 2020.

CWB MAXIUM FINANCIAL INC.

SJ East Pharma Inc	
By:	
Name & Title	

1

By:

Name & Title:

# **General Security Agreement**

Customer: SJ East Pharma Inc.

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 cwbmaxium.com

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

# INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

# 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, knvestment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or account due to you in connection with any such deposit or oredit balance.

**INVESTMENT PROPERTY** - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

# 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

# 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

# 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

# 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

# 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

# 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

# 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default Immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of oreditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was fake in any material respect when made, or becomes fake;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone dairns to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or

encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

# 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

# 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

# 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

# 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

	, λ		
SJ East Pharma Inc.			
BY:	ABA		
Name:	JOHN AEDGES		
Title:	PRESIDENT		

# Address: 12 Elizabeth Street, Brighton, ON KOK 1H0

# 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke an alter any such appropriation.

# 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

# 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

# 31. GOVERNING LAW

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

BY: Name:

Title:

# SCHEDULE A

# **DEPOSITS AND CREDIT BALANCES**

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

12 Elizabeth Street, Brighton, ON KOK 1H0

# General Security Agreement

Customer; D

Diep Nguyen

Date:

www.maxlum.net aust 2016

30 Vogell Road, Suite 1 Richmond Hill, Ontario L48 3K6

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

# INDEBTEDNESS AND LIABILITY SECURED

Your agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings induiding without limitation, inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all Intangoble and Intellectual property, and all real and immovable property both freehokil and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BAUANCES - all monies and credit balances which are now or may hereafter the on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, Joint venture Interests, Interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property spedifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule Aland any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action rideds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3, INVESTIMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral, provided lurther that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

## to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the *Securities Transfer Act, 2006* [Ontario], which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

# 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively tailed "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest an such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

# 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver, and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal dairn or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

# 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

# 8. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

# 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

Security Agreement

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAKIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or only part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default (mmediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

## Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incut any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to defiver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

# 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral, We and the Receiver shall be entitled to:

- (a) selze and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of LIfe Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our Interest, or

 take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this parograph are supplemental to and not in substitution for any other rights we may have from time.

#### 17. POWER OF ATTORNEY

You interocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of luis Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your kability or to our rights under this Agreement or at law. 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

WITNESS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CVVB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# 24. ACKNOWLEDGEMENT & WAIVER

You advnowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

Address: 309-2088 Lawrence Ave., W. North York, ON M9N 329

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it,

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26, NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to affect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, dead, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Diep Nguyen

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

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# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

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800 Queenston Rd., Stoney Creek, ON L8G 1A7 300 B Spadina Ave., Toronto, ON M5T 2E7 12 Elizabeth St. Brighton, ON K0K 1H0

CWB Max	ium Financial Inc.	30 Vogell Road, Suite 1 Richmond Hill, Ontario L48 3K6	
General Se	ecurity Agreement	cwbmaxium.com	
Customer:	Stoney Creek Pharma Inc.	Date: August 18 001	16
		0 7	

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

# 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all Intangible and Intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

 $\ensuremath{\mathsf{EQUIPMENT}}$  - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture Interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other Interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

- You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Oblability under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities Intermediary to execute such other documents and to perform such other acts as may be

## Security Agreement

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## PROŒED\$

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income fram or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay allegal costs and fees (Including In-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal calm or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, [except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first toss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any ife insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Collateral, and

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar taws affecting the enforcement of creditors' rights generally and by general principles of equility;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shalt continue in full force and effect without time jimit.

12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us the RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.
- 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (h) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, ficences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain In good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes for the twelve-month period ending at the given fiscal year end, divided by:
   (b) as the denominator, the avergence sum of all bank charges and all principal

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security Interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person fable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you de, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or

encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

## 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral:
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or onsission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

# 19. DEAUNG WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law. 20. PAY ENCUMBRANCES

# We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow maney required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agréement.

Stoney Cr	eek Phazina ma
BY:	JULY .
Name: /	JOHNN GERCIES
Title:	PRESIDENT

# Address: 800 Queenston Rd., Stoney Creek, ON L8G 1A7

# 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

# 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security Interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us,

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# **3D. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNINGLAW

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

BY	:
de consuma no	~

Name; Title:

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# INVESTMENT PROPERTY

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON 186 1A7 12 Elizabeth St. Brighton, ON KOK

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**DEBTOR 18: ASBPI** 

# FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,780,450.00

PRINCIPAL

CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

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# **1. PROMISE TO PAY AND INTEREST**

For value received, Abu Seifein Brimley Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 127 Montezuma Trail, Agincourt, ON M1V 1K4 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Qne Million Seven Hundred Eighty Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,780,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.95% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

# 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of May 2019 and up to and including the 15<sup>th</sup> day of April 2024 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	May 15, 2019	April 15, 2024	\$23,365.76
1	April 15, 2024	April 15, 2024	\$768,628.37

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

# 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all Instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

# 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

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payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

# 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

# 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

# 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

# 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

# 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Abu Seifein Brimley Pharma Inc.

BY: Name: SANDRA YOUSSUF Title: PRESIDENT BY: Name: Title:

# AMENDING AGREEMENT

BETWEEN:	Abu Seifein Brimley Pharma Inc. 127 Montezuma Trail Agincourt, ON M1V 1K4	(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")

WHEREAS the parties hereto have entered into Promissory Note DFSPN1-1 dated April 11, 2019 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

# **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
11	May 15, 2019	March 15, 2020	\$23,365.76
3	April 15, 2020	June 15, 2020	\$0.00
46	July 15, 2020	April 15, 2024	\$23,365.76
1	April 15, 2024	April 15, 2024	\$857,071.34

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

7<sup>th</sup> day of April, 2020.

CWB MAXIUM FINANCIAL INC.

Abu Seifein Brimley Pharma Inc. By: Name & Title:

By:

Name & Title:

# **General Security Agreement**

Customer: Abu Seifein Brimley Pharma Inc.

www.cwbmaxium.com

Date:

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30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6

# SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

# INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

# 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

**INVENTORY** - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the Issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

UFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-pald premiums or for the payment of future premiums.

# ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

# 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you walve all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts; and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

# 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

# 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security Interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

# 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

# 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

# 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

# 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
   Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain In good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different juriscition; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:

(b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

# 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontarlo) (the "PP5A") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

# 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an Individual, and your certificate of registration from your professional governing body is suspended or revoked;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or

encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

## 16, REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foredose on the Collateral;
- in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You intervocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or ornission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEAUNG WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be rinterest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

# 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

# 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is Invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing k.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

## 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTIRE AGREEMENT**

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

# 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

# 31. GOVERNING LAW

BY: Name: Title:

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

Abu Seifei	n Brimley Pharma Inc.
BY:	
Name:	SANTORA YOUSSEF
Title:	PRESIDENT
	• • • • • • • • • • • • • • • • • • •

# Address: 127 Montezuma Trail, Agincourt, ON M1V 1K4

# SCHEDULE A

# DEPOSITS AND CREDIT BALANCES

Unlimited

# **INVESTMENT PROPERTY**

N/A

# LIFE INSURANCE POLICIES

N/A

# LOCATIONS OF COLLATERAL

127 Montezuma Trail, Agincourt, ON M1V 1K4

# General Security Agreement

Customer: St. Mary Cooksville Pharma Inc.

Date:

cwbmaxlum.com October 31 2018

30 Vogell Road, Suite 1 Richmond Hill, Ontario L48 3K5

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings (defined below) have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

# 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without imitation, inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

# 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you'n respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

## 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities Intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

## 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that Indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be comminged with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basts.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment; without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

**10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM** 

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

# 11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

# 12. REPORTING

You will:

- (a) If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- (d) advise us of any Event of Default Immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

# **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

#### Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
   (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:
   (b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all dott and capital laxe obligations during the

and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, Incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default");

- you or any other person liable for the Obligations is In default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) if you are an IndMoual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;

- 御 you pledge, encumber, mortgage or otherwise create or permit the continued edstence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- Ø you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- any other event occurs which causes us in good faith, to deem ourselves insecure, or ímì to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

## 16. REVIEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- selze and possess the Collateral; (a)
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (ď) foredose on the Collateral;
- (e) in the case of Life insurance, exercise any options available to you under the Life Insurance:
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security:
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NONWAVERBYUS

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

# 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

# St. Mary Cooksville Pharma Inc.

#### BY: BY: Name: Sandra Youssef Name: Title: President Title:

#### 3035 Hurontario Street, Mississauga, ON L5A 2G9 Address: Security Agreement

# 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

# 22. DEFINITIONS

in this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations, if any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

# 24. ACONOMIEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

# 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

e (\*

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

## 3035 Hurontario Street, Mississauga, ON L5A 2G9

CWB Maxi	um Financial Inc.		* **	30 Vogell Road, Suite 1 Richmond Hill, Ontario L48 3K5
General Se Customer:	curity Agreement Sandra Youssef		Date:	www.maxium.net October 31 2018
		ng 17 10 17 17 18 and 18 and 19 and		

#### **SECURITY INTEREST**

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAININGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities Intermediary

#### Security Agreement

to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2005* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with Instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and If we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income ar interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim induding any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the Insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Collateral.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. UMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- If you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) If you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### **13. POSITIVE COVENANTS**

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was fake in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone datms to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, montgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (induding, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (I) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

## 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

## 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

## 24. ACKNOWLEDGEWENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

Address: 703-676 Sheppard Ave., East, North York, ON M2K 3E7

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be blnding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporator, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28, ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSUMANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

Sandra Youssef

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

703-676 Sheppard Ave., East, North York, ON M2K 3E7

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CWB Maxium	Financial Inc.
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## **General Security Agreement**

Customer: John Gerges

Dat

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.maxlum.net

Date:

### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Consternal". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings inducing without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of Interest due or account due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") inducing, without limitation, any hvestment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, daims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. MINISTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to trainsfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act*, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an Issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for Us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be comminged with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including tr-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterdaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby coverant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except liventory sold in the normal course of business and obsolete equipment) without our prior written consent.

#### 8. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

## Security Agreement

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### 11: REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

Yoù will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- (I) notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sole, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of oreditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone daims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- If you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, mongage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life insurance, exercise any options available to you under the Life insurance;

- demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17: POWER OF ATTORNEY

You interocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18: NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20: PAY ENGINERANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall be rinterest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

#### 21. PAVMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22 DEFINITIONS

In this agreement "your," your," and "yours" refer to the Customer named above. "We", "our," "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUENCE EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24 ACROWLEDGEMENT & WAVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

WITNESS

Address: 14774 Woodbine Avenue, Garmley, On LOH 1G0

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any charge in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### **28. ENTRE AGREEMENT**

You admowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

John Gerges

## <u>SCHEDULE A</u>

14 18 1

## DEPOSITS AND CREDIT BALANCES

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Unlimited

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## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

14774 Woodbine Avenue, Gormley, On LOH 1GO

**DEBTOR 19: SMTPI** 

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$1,300,450.00 PRINCIPAL CWB Maxium Financial Inc. Suite #1 – 30 Vogell Road Richmond Hill, Ontario L48 3K6 AUG 18 2016

DATE

## **1. PROMISE TO PAY AND INTEREST**

For value received, St. Mary Theotokos Pharma Inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 300 B Spadina Ave., Toronto, ON M5T 2E7 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of One Million Three Hundred Thousand Four Hundred Fifty Dollars and Zero Cents (\$1,300,450.00) ("Principal") in lawful money of Canada, with interest calculated and compounded monthly not in advance at 5.75% per annum ("Interest Rate") ("Interest") and interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 15<sup>th</sup> day of each and every month commencing on the 15<sup>th</sup> day of October 2016 and up to and including the 15<sup>th</sup> day of September 2021 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

No. of instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	October 15, 2016	September 15, 2021	\$14,279.44
1	September 15, 2021	September 15, 2021	\$743,071.37

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the Instalments would otherwise be payable to the date of calculation, at the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

## 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

St. Mary Theotokos Pharma Inc.

BY:

Name: JOHN GERGES Title: PRESIDENT

BY:

Name: Title:

## LETTER OF DIRECTION

To: CWB MAXIUM FINANCIAL INC. ("CWB MAXIUM")

Re: Fixed Rate Promissory Note dated AUG 18 2016

.....

Please accept this Letter of Direction as your good and sufficient authority to make the following payments from the proceeds of the above noted agreement:

<u>Payee</u> CWB MAXIUM FINANCIAL INC. Re: St. Mary Theotokos Pharma Inc. <u>Amount</u>

\$450.00

**CWB Maxium Administration Fee** 

Dated this 18 day of August. 2016

St. Mary Theotokos Pharma Inc. By: Name: JOHN LER LIES Title: RESIDENT

Ву:	 
Name:	
Title:	

## LETTER OF DIRECTION

To: CWB MAXIUM FINANCIAL INC. ("CWB MAXIUM")

Re: Fixed Rate Promissory Note dated AUG 18 2016

Please accept this Letter of Direction as your good and sufficient authority to make the following payments from the proceeds of the above noted agreement:

<u>Payee</u> Goldstein & Grubner- IN TRUST Re: St. Mary Theotokos Pharma Inc. Amount

Proceeds of Loan

\$1,300,000.00

Dated this 18 day of August, 2016

St. Mary Theotokos Phana Inc. By: Name: JOHN GE RGES Title: PRESIDENT

By: \_\_\_\_\_\_ Name: Title:

## AMENDING AGREEMENT

BETWEEN:	St. Mary Theotokos Pharma Inc. 300 B Spadina Ave., Toronto, On M5T 2E7	
		(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON	
	L4B 3K6	(hereinafter called "CWB Maxium")

**WHEREAS** the parties hereto have entered into Fixed Rate Promissory Note dated August 18, 2016 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

**AND WHEREAS** the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

## **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
42	October 15, 2016	March 15, 2020	\$14,279.44
3	April 15, 2020	June 15, 2020	\$0.00
15	July 15, 2020	September 15, 2021	\$14,279.44
1	September 15, 2021	September 15, 2021	\$789,315.02

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

20th day of April ,2020.

CWB MAXIUM FINANCIAL INC.

## St. Mary Theotokos Pharma Inc.

By: Name & Title:

By:

Name & Title:

By:

Name & Title:

## General Security Agreement

Customer: Diep Nguyen

Date:

Richmond Hill, Ontario L4B 3K6 www.maxium.net

30 . ...ell Road, Suite 1

August 13,2016

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

**DEPOSITS AND CREDIT BALANCES** - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the Insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

### 3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "**Proceeds**"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## **11.** REPRESENTATIONS AND WARRANTIES

## You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

### 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured pait/ thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the nontinued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

take any other action deemed necessary to carry into effect the provisions of this (h) Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

## 18. NON WAVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

## 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCLIMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

## 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above, "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

Aleen

WITNESS

## Address:

309-2088 Lawrence Ave., W. North York, ON M9N 3Z9

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

## 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

Diep Nguyen

## SCHEDULE A

## **DEPOSITS AND CREDIT BALANCES**

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7 300 B Spadina Ave., Toronto, ON M5T 2E7

## ÈWB Maxium Financial Inc.

## **General Security Agreement**

Customer: John Gerges

Date:

Richmond Hill, Ontario L4B 3K6 www.maxium.net August 13,2016

30 Vogell Road, Suite 1

SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

## INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all Intangible and Intellectual property, and all real and Immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the Issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

UFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

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#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly form any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "**Proceeds**"). **Proceeds shall be received and held by you in trust for us**.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay allegal costs and fees (Including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

## 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, induding any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

#### You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default Immediately upon the occurrence of such event;
- (d) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

## You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- Security Agreement

- (e) \_\_\_\_\_, provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontarlo) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

## 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone dairns to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- you incur any Indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) In the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtfiel to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or

(h) take any other action deemed necessary to carry into effect the provisions of this Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEAUNG WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral In priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAVER

You advnowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

LENWE DIA MULLING

WITNESS

14474 Woodbine Ave., Gormley, ON LOH 1G0 Address:

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 29. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Nelther the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

John Ger

## SCHEDULE A

## DEPOSITS AND CREDIT BALANCES

Unlimited

## **INVESTMENT PROPERTY**

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

800 Queenston Rd., Stoney Creek, ON L8G 1A7 300 B Spadina Ave., Toronto, ON MST 2E7

ĊWВ Мах	ium Financial Inc.	Rict	vogell Road, Suite 1 Imond Hill, Ontario L4B 3K6	
General S	ecurity Agreement	ww	w.maxium.net	
Customer:	St. Mary Theotokos Pharma Inc.	Date: A	ugust 13,2016	
			-9	

## SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section S, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, dains, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give us "control" of such investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or Interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

#### 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or self the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal caim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and com client basis.

### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party. You hereby covenant and agree to keep the Collateral free and dear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the Insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life Insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### B. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

## 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## **11. REPRESENTATIONS AND WARRANTIES**

### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us the RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- bankruptoy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Chilateral, except for any lien granted by you in our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (k) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (I) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

### 16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

#### (a) seize and possess the Collateral;

#### (b) carry on your business;

- sell, lease or otherwise dispose of the Collateral; (c)
- (d) foredose on the Collateral:
- in the case of Life Insurance, exercise any options available to you under the Life (e) Insurance:
- (f)demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this {h) Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

### 17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

#### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

#### 20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or vold, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### St. Mary Theotokos Pharma Ind BY: BY: Gera John Name: resident Title:

#### Address: 300 B Spadina Ave., Toronto, ON M5T 2E7

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement. amending, supplementing or replacing it.

### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You admowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

## 31. GOVERNING LAW

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

Name: Title:

## SCHEDULE A

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## **DEPOSITS AND CREDIT BALANCES**

Unlimited

**INVESTMENT PROPERTY** 

N/A

## LIFE INSURANCE POLICIES

N/A

## LOCATIONS OF COLLATERAL

300 B Spadina Ave., Toronto, ON M5T 2E7

.

## **DEBTOR 20: Olde Walkerville**

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$2,738,450.00 PRINCIPAL

CWB Maxium Financial Inc. Sulte #1 - 30 Vogell Road Richmond Hill, Ontario 14B 3K6

Ctober 22 Do18

## 1. PROMISE TO PAY AND INTEREST

For value received, Olde Walkerville Holdings inc. (referred to in this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 1701 Wyandotte Street East, Windsor, ON N8Y 1C9 & 870 Erle Street East, Windsor, ON N9A 3Y6 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "ours" and "us"), the sum of Two Million Seven Hundred Thirty Eight Thousand Four Hundred Fifty Dollars and Zero Cents (\$2,738,450,00) ("Principal") in lawful money of Canada, with Interest calculated and compounded monthly not in advance at 6.25% per annum ("Interest Rate") ("Interest") and Interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, Interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1" day of each and every month commencing on the 1" day of December 2018 and up to and including the 1" day of November 2023 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 50 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

1 . . .

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No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	December 1, 2018	November 1, 2023	\$30,794.73
· 1	November 1, 2023	: November 1, 2023	<b>\$1,583</b> ,336.43
	4		

Each Instalment under this Note shall be applied first in payment of interest and the balance, if any, shall be applied in reduction of Principal, Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us. · ·

## 3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (I) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## **5. INTEREST ACT**

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no Interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

### 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is vold or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignee all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignee any claim by way of abatement, defense, set-off, compensation or the like. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Olde Walkerville Holdings Inc.

BY:\_\_\_\_\_ Name: RAMALHANDRAN RAMAPATHY

Title: ORISIDENT

BY:

Name: Title:

## AMENDING AGREEMENT

BETWEEN:	Olde Walkerville Holdings Inc. 1701 Wyandotte St. E. Windsor, ON N8Y 1C9	(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")

WHEREAS the parties hereto have entered into Fixed Rate Promissory Note dated October 22, 2018 (the "Promissory Note") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

AND WHEREAS the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

## **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
16	December 1, 2018	March 1, 2020	\$30,794.73
3	April 1, 2020	June 1, 2020	\$0.00
41	July 1, 2020	November 1, 2023	\$30,794.73
1	November 1, 2023	November 1, 2023	\$1,698,246.20

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

13th day of April,2020.

CWB MAXIUM FINANCIAL INC.

By:

Name & Title:

Olde Waliterville Haldings Inc. By: Name & Tithy:
---

By:

Name & Title:

## **General Security Agreement**

Customer: Olde Walkerville Holdings Inc.

Date:

www.cwbmaxium.com đá. 8

30 Vogell Road, Suite 1 Richmond Hill, Ontario L48 3K6

#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attackment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and isolifty to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal (ces and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTRAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such depositor credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived thereform.

LIFE INSURANCE - the life insurance polloy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

## 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belorging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Oblgations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you walve all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any Issuer or securities intermediary to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that Indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and If we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. ODSTS AND EXPENSES

You agree to pay the costs and expenses we intur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or bust interest or encumbrance dalimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 6. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we ner any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

### 11. REPRESENTATIONS AND WARRANTIES

#### You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any livestigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

#### 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your<sup>1</sup> existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different juriscition; and
- notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.40x, as at each fiscal year end (where "DSC Ratio" means the ratio of: (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortitation and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:
  - (b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (I) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (II) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

## 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a bustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was faise in any material respect when made, or becomes faise;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- If you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;

- 御 if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- 63 you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any likin granted by you in our favour;
- you incur any indebtedness for borrowed money finducting, without limitation, by 113 guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any (1) agreement between us; or
- any other event occurs which causes us in good faith, to deem ourselves insecure, or (m)to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16, REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method cormitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- seize and possess the Collateral; (a)
- (b) carry on your business;
- sell, lease or otherwise dispose of the Collateral; (c)
- (d) foreclose on the Collateral:
- in the case of Life Insurance, exercise any options available to you under the Life íe) Insurance:
- demand, sue for and receive Accounts, give effectual receipts and discharges for the łĤ Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to lime.

### 17. POWER OF ATTORNEY

You inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to pennit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST .

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collinteral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law,

#### 20. PAYENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation of protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Olde Walk	prville-Holdings Inc.	
ву:	Sounder	BY:
Name:	RAMACHANDRAN RAMAPATHY	Name:
Title:	PREJIDENT	Title:
Address:	1701 Wyandotte St. E., Windsor, On N8Y 1C9 & 870 Erie St. E., Winds	or, On N9A 3Y6
Security Agro	iement	

#### 21. PAVMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit. and to revoke or alter any such appropriation.

## 22. DEENMONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations heraunder without our prior written consent. We may assign our rights under this Agreement without your consent. and without providing you notice of such assignment. This Agreementshall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warrantles, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

## FIXED RATE PROMISSORY NOTE - VARIABLE PAYMENTS

\$2,738,450.00 PRINCIPAL CWB Maxium Financial Inc. Sulte #1 – 30 Vogell Road Richmond Hill, Ontario L4B 3K6

October 22 2018

## 1. PROMISE TO PAY AND INTEREST

For value received, Olde Walkerville Holdings Inc. (referred to In this Promissory Note (the "Note") as "you", "your" and "yours") with offices located at 1701 Wyandotte Street East, Windsor, ON N8Y 1C9 & 870 Erie Street East, Windsor, ON N9A 3Y6 promises to pay to CWB Maxium Financial Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Two Million Seven Hundred Thirty Eight Thousand Four Hundred Fifty Dollars and Zero Cents (\$2,738,450.00.) ("Principal") in lawful money of Canada, with Interest calculated and compounded monthly not in advance at 6.25% per annum ("Interest Rate") ("Interest") and Interest on overdue Interest at 18% per annum. In the event the Principal balance, if any, is not paid in full at maturity, interest shall accrue on the outstanding Principal thereafter amount at the rate of 18% per annum until paid. Provided that if such rate of Interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law.

## 2. CALCULATION OF INTEREST AND REPAYMENT

interest shall be computed from the day the Principal is advanced (the "Commencement Date"). Principal and Interest shall be paid on the 1<sup>st</sup> day of each and every month commencing on the 1<sup>st</sup> day of December 2018 and up to and including the 1<sup>st</sup> day of November 2023 ("Term Date") when the balance, if any, of the Principal and Interest shall be paid. Principal and Interest shall be repaid in 60 consecutive monthly instalments as set out in the Schedule of Instalments below (the "Instalments").

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No. of instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
50	December 1, 2018	November 1, 2023	\$30,794.73
· 1	November 1, 2023	1: 111 November 1, 2023	\$1,583,336.43
	•	1 - c <sup>2</sup> + 1 - 2 - 4	

Each instalment under this Note shall be applied first in payment of interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

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## **3. ACCELERATION**

in the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the Bankruptcy and Insolvency Act (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the Companies' Creditors' Arrangement Act or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine preestimate of liquidated damages and not as a penalty, the present value of all instalments required to be paid to and including the Term Date that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which the instalments would otherwise be payable to the date of calculation, at the lesser of (I) 3% per annum, compounded monthly, or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the period of time remaining hereunder at such time to the Term Date, and all other accrued and then unpaid Interest.

## 4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing

payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

## 5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

### 6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

## 7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mall to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

## 8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire et le notre que le présent Contrat et tous documents s'y rapportant solent rédigés et signés en anglais.

## 9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the province or territory where you are located. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. Upon notice of an assignment you shall unconditionally pay to our assignce all instalment payments and other amounts due hereunder and shall not assert any defense against our assignee in any action for instalment payments or other amounts due and payable hereunder and you will not assert against our assignce any claim by way of abatement, defense, set-off, compensation or the like, (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You have received a copy of this Note.

Olde Walkerville Holdings Inc.

BY:\_\_\_\_\_ Name: RAMACHANDRAN RAMAPATHY Title: DRISTOENT

BY:

Name: Title:

## AMENDING AGREEMENT

BETWEEN:	Olde Walkerville Holdings Inc. 1701 Wyandotte St. E. Windsor, ON N8Y 1C9	(hereinafter called the "Borrower")
AND	CWB MAXIUM FINANCIAL INC. 30 Vogell Rd, Unit #1 Richmond Hill, ON L4B 3K6	(hereinafter called "CWB Maxium")

WHEREAS the parties hereto have entered into Fixed Rate Promissory Note dated October 22, 2018 (the "Promissory Note ") pursuant to which the CWB Maxium has provided certain financing, as set out therein, to the Borrower;

AND WHEREAS the parties have agreed to amend the payment stream on the Promissory Note to defer payments as set out in the Promissory Note as provided herein;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the payment stream as set forth in the Promissory Note is hereby amended to the following:

## **Revised Payment Stream:**

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
16	December 1, 2018	March 1, 2020	\$30,794.73
3	April 1, 2020	June 1, 2020	\$0.00
41	July 1, 2020	November 1, 2023	\$30,794.73
1	November 1, 2023	November 1, 2023	\$1,698,246.20

Except as set out herein, all other terms and conditions of the Promissory Note shall remain in full force and effect

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Promissory Note on the

13th day of April,2020.

CWB MAXIUM FINANCIAL INC.

Olde Walkerville Huldings Inc. By: Name & Tith:

By:

Name & Title:

By:

Name & Title:

## **General Security Agreement**

Customer: Olde Walkerville Holdings Inc.

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.cwbmaxlum.com

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### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

#### 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAIONGS - all of your present and after acquired personal property and undertakings including without limitation, linventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and Intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such depositor credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") induding, without limitation, any investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Oblgations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3. INVESTMENT PROPERTY

If any of the Collateral consists of investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee, may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any Issuer or securities intermediary to execute such other documents and to perform such other acts as may be í

necessary or appropriate in order to give us "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that Indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be comminged with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, montgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary Interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, their or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any bisurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without

our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

### 10. UMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

## **11. REPRESENTATIONS AND WARRANTIES**

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall: survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us; ,
- advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- provide us with such other information and financial data as we may request from time to time.

#### 13. POSITIVE COVENANTS

You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) If applicable, maintain your<sup>1</sup> existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- pay all taxes, which may result in a lien or charge on any of your property and assets;
- Security Agreement

- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different juriscition; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral; and
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.40x, as at each fiscal year and (where "DSC Ratio" means the ratio of: (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cosh expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:
  - (b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)

You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

#### 14. NEGATIVE COVENANTS

#### You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without ilmitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) If you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

#### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default");

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) If you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;

- (i) if you are an Individual, and your certificate of registration from your professional governing body is suspended or revaked;
- 郤 you pledge, encumber, mongage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or bust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you'n our favour;
- you incur any indebtedness for borrowed money (including, without limitation, by (k) guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any ()) agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in leopardy.

#### 16. REVIEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- seize and possess the Collateral; (a)
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- foreclose on the Collateral; (d)
- le In the case of Life Insurance, exercise any options available to you under the Life Insurance:
- **{1)** demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time,

### 17. POWER OF ATTORNEY

You intevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

## 20. PAYENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

Olde Walk	erville Holdings Inc.	
BY:	Bounder	BY:
Name:	RAMACHIANDRAN RAMAPATHY	Name:
Title:	PREJIDENT	Title:
Address:	1701 Wyandotte St. E., Windsor, On N8Y 1C9 & 870 Erle St. E., Winds	or, On N9A 3Y6
Security Agre	eement	

#### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or after any such appropriation.

## 22. DEFINITIONS

In this agreement "you", "your" and "youns" refer to the Customer named above, "We", "our," "ours", and "us" refer to CWB Maxium Financial linc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACRNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You weive any right you may have to receive a copy of any linancing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement emending, supplementing or replacing it.

#### 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstancing any change in the composition of or membership of any firm or corporation, which is a party hereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other In writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## **30. FURTHER ASSURANCES**

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

### 31. GOVERNING LAW

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

## CWB Maxium Financial Inc.

## **General Security Agreement**

Customer: Ramachandran Ramapathy

Date:

30 Vogell Road, Suite 1 Richmond Hill, Ontario L4B 3K6 www.cwbmaxium.com

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#### SECURITY INTEREST

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

#### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

## 1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings indukting without limitation, loventory, Equipment, Deposits and Credit Balances, investment Property, Life Insurance (all as defined herein), all Intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

#### EQUIPMENT - all presently owned and after acquired goods that are owned by you other than inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, Including securities, shares, options, rights, warrants, joint venture interests, Interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Invistment Property") including, without limitation, any Investment Property spedically identified in Schedule 4; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy of policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, recurity interests, mortgages, instruments, rights of action, deeds, bools and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

#### 3, INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

## Security Agreement

#### to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with Instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

#### 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal daim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and cwn client basis.

#### 7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec, mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except inventory sold in the normal course of business and obsolvete equipment) without our pifor written consent

#### 8. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not

remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

#### 10. LIMITATION ON OBLIGATIONS OF CWB MAXIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

#### Your request or ortierwise.

## 11. REPRESENTATIONS AND WARRANTIES

- You hereby represent and warrant to us that:
- (a) If applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

## 12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us accountant-prepared financial statements within 120 days of each of your fiscal year ends;
- (b) if you are an individual, provide to us your personal net worth statement upon request by us;
- (c) advise us of any Event of Default immediately upon the occurrence of such event;
- (d) Inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (e) provide us with such other information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

## You agree to:

- make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;

#### Security Agreement

- (e) provide such security as we may require;
- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the data hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom:
- (h) notify us in writing at least 20 days prior to any change of your name; and
- notify us in writing promptly of any significant loss of or damage to the Collateral.

## 14. NEGATIVE COVENANTS

### You will not:

- (8) create, Indur, assume, or suffer to exist, any mortgage, dead of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collisteral, or sign or file under the Personal Property Security Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a fitnancing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereundar to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld; or
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent.

### 15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- you or any other person fiable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of oreditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptoy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or, if you are a
  partnership, a partner dies;
- if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (i) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;
- (k) you incur any indebtedness for borrowed money (Including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem curselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

#### 16, REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to carry into effect the provisions of this (h) Agreement

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You Inevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

### 18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be walved by us in writing. Any walver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

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We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement "you", "your" and "yours' refer to the Customer named above. "We", "our", "ours", and "us" refer to CWB Maxium Financial Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

#### 24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register

25 Palomino Crescent, North York, ON M2K 1W2 Address:

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

## 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mall addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

#### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

### 28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

#### 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations. **30.** FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, doed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Ramachandran Ramapathy

## CWB Maxium Financial Inc.

## **General Security Agreement** Chin-To Yuen

30 Vogell Road, Suite 1 Richmond Hill, Ontario 148 3K6 www.cwbmaxium.com

October 18

#### SECURITY INTEREST

Customer:

In consideration of our dealing whith or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts asserted to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to posipone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security Intensit shall attach to any Collateral acquired after the bate hereof as soon its you obtain rights in such Collateral and that value has been given.

### INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future abligations, indebtedness and ilability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal (ees and expenses) Incurred by us in connection with dur dealings with you.

#### 1. DERNITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertailings including without Imitation, Inventory, Equipment, Deposits and Credit Balances, mentment Property, bite insurance (all us defined nere's), all many ble and intellectual property, and al rest and immovable property both freehold and leasehold, except for this last day of the term of anylease

INVENTIORY - all presently owned and after acquired goods and other property held for sale or ease or that have been leased or that any to be furnished on have been furnished under a contract of service, or that are raw material, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acculred goods that are owned by you other than Inventory and consumer goods

DEPOSITS AND CREDIT BALANCES - all montes and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schadule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accuing due. to you in connection with any such deposit or credit balance:

INVESTMENT PROPERTY - all present and future investment property held by you, including securities, shares, options rights, warrants, joint venture interests, interests in limited partnerships, trust-units, bunds, debentures and all other documents which constitute evidence of a share, participation or other interest of yoursoln property or in an enterprise or which constitute evidence of an obligation. of the issuer (collectively called "Invistment Property") individing without imitation, any investment Property specifically identified in Schedule A, and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom

UFE INSURANCE - the life insurance policy or pulkies described on Schedule A and any proceeds derived therefrom, and any amounts hold by the institer as pre-paid premiums or for the payment of future premiums

#### 2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, clorus, demands, and moneys new due, owing account, or which may bereatter become due, owing or account to you, together with all rights, benefits, security interests, montgages, instruments, rights of action, deeds, books and records and documents now or hereafter-belowing to you'ln respect of or as security for any of the fungoing (collectively colled "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall following any continuing Event of Delauit under this Agreement, be received and he'd by you in trust for us.

#### INVESTMENT PROPERTY 3.

Security Agreement

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our cominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registored owner, and agree that no proxy or proxies given to your or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary

to execute such other documents and to perform such other acts as may be

necessary or appropriate in order to give us "control" of such investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as we shall designate in our sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

#### 4. PROCEEDS

You grant us a security Interestion all of your property in any form derived directly or indirectly form any use or dealing with any Assets and Undertakings or Accounts or that indemnifias or compensates for Assets and Undertakings-destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and holdby you in trust for us.

## 5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Date:

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of investment Property, and if we receive any such income or interest prior to the occurrence of any continuing event of Default, we agree to pay you such income or interest promptily. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Colleteral, and if you receive any such income or interest, such income or interest shall be held by yap in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

## 6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repeasess, maintain, preserve, repair or self the Gollateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including invhouse legal fees, charges and expenses), included by us to do any of the above or to deford any legal daim or counterstain by you or others respecting the monner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees imprined by us on a solicitor and own client. basis

## 7, FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collatoral free from any hypothes, montgage, lien, charge, security interest or any other interest or dam including any proprietely or trust. interest or encombrance chimed by any third party. You hereby covenant and agree to keep the Collateral free and clean of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covening and agree to not self give away, part with possession of or otherwise discose of any part of the Collateral, (except inventory sold in the samual course of business and obsolete equipment/without our pilor written concent

### 8. INSURANCE

You will, at your cost, keep the Collateral Insured from all risk of loss, theft or damage as are outcomenty insured by businesses in the Industry in which you are entraiged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and estimonal insured. We may, in our absolute discretion, pay any previous due on any insurance policy, including any fic insurance policy forming part of the Collateral, and the amount of any premium we pay while acceleto and form part of the Obligations.

#### 9. LOCATION OF COLLATERAL

You will keep the Collateratiat the location or locations subout on Schedule A. You will not

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remove the Celolemi from this location (except in the ordinary course of your business) without our phor writien consent. If he location is set out on Scheoute A, you will keep the Collatoral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CWB MASIUM

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Nether we nor any of our directors, officers, employees or agents shall be llable for failure to demand, collect or realize upon the Collateral or any part thereof or for any detay in doing so, or shall The underlany obligation to sell on otherwise dispose of any Collateral whether at your request of otherwise. 5 March 1

- 14. REPRESENTATIONS AND WARRANTICS You hereby represent and warrant to us that: 🔊
  - (1) if applicable, you are a corporation duly existing, for a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as corrently carried on by you and hold all necessary Feenses, permits and consents as are required so to own your property and assers and so to carry on business in each Jurisdiction in which you do ra;
    - you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hureunder; un
    - this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance, with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
    - except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
    - the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
    - the representations and warranties set out in clauses (a) through (e) above on in any certificate or other document delivered to us by you or on your behalf are materia, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall contin ie in full force and effect without time limit. 及目的方法

#### 12. REPORTING You will:

(b)

(c)

(d)

(e)

(f)

if you are a corporation, a partnership or a sole proprietorship, provide (a) to us accountant-prepared financial statements within 120 days of each of your fiscal year ends; (b) if you are an individual, provide to us your personal net worth statement

N.

- upon request by us; (c) advise us of any Event of Default immediately upon the occurrence of
- such event: inform us of any actual or prohable material litigation and provide us {b}
- with copies of all relevant documents upon request; and
- (e) provide us with such othe information and financial data as we may request from time to time.

## 13. POSITIVE COVENANTS

- You agree to:
- make, all payments when due or demanded to us (without any condition, (a) deduction, set-off or holdback) at our address noted above (or any other address that we advise);
  - If applicable, maintain your existence as a corporation, partnership, or (b) sole proprietorship, as the case may be, and keep all material agreements, rights, franchlies, licences, operations, contracts or other arrangements in full force and effect;
  - pay all taxes, which may result in a lien or charge on any of your (c) property and assets;
  - maintain, protect and preserve the Collateral in good repair and working (d) condition;

provide such security as we may require:  $\{e\}$ . continue to carry on, and maintain in good standing, the business being carried, (1) on by you ut the date hereof:

4.5.

- permittus or our authorized representatives full and reasonable access to your {E)
- members, business, illiancial and computer records and allow the auplication. or extraction of pertinent information therefrom;
- notify us in writing at least 20 days prior to any change of your name; and (in)
- notify us in writing promptly of any significant loss of or damage to the (i)
- Collateral. 14 NEGATIVE COVENANTS You will not:
- create, licur, assume, or surfer to exist, any mertgage, doub of trust, pledge, 15 6 lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention accement, or linance lease) of any nature, upon or with respect to the Collateral, of sign or file under. the Personal Property Sciurity Act (Ontario) (the "PPSA") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such infancing statement creating a security interest in the Colleteral;
  - If you are a corporation, a partnership or a sole proprietorship, as the case may he, permit any change of ownership or change your capital structure without our prior written consent, such consent doi to be unreasonably withheld; or
- transfer your interest in any part of the Collateral not expressly permitted (c)under this Agreement or change the location(s) of the Collatoral without our prior written consent.
- 15. DEFAULT

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You shall be in default under this Agreement upon the happening of any of the following events (each, an Event of Default'1:

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof; you or any other person liable for the Oblgations is in default under any other loan, debt or (D)
  - obligation owed to anyone else, subject to the passage of any applicable grace period;
- you fail to perform any of the terms or conditions of this Agreement or any other agreement (c)between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you; (i)
  - any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;"
- anyone takes possession of or applies to any court for possession of the Collateral, or anyone (g) daims to have rights in the Collateral superior to our rights; \*;
  - If you are an individual, you are declared incompetent by a court, or you die, or, if you are a parmership, a partner dics; if you are an individual, and your centricate of registration from your professional governing
  - body is suspended or revoked;
  - you pledge, encumber, montgage or otherwise create or permit the continued existence of any lien or any other interest or daim including any proprietary or trust interest or encumbrance daimed by any third pany with respect to any of the Collateral, except for any lien granted by you in our favour; 🦿
  - you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
  - you fail to deliver to us on a timely basis the financial information required by any agreement between us; or " any other event occurs which causes us in good faith, to deem ourselves insecure, or to
- believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in leopardy. 16. REMEDIES

### Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may oppoint any person. including our employee; to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- seize and possess the Collateral; la
- carry on your business, (b)
- sell, lease or otherwise dispose of the Collateral; (c)
- foreclose on the Collateral; (u) 1.44
- In the case of Life Insurance, exercise any options available to you under the Life Insurance; (e)

- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- take any other action deemed necessary to damy into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you for think shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

#### 17. POWER OF ATTORNEY

You mesotably appoint us your attainey, with power of substitution and appointment to signific you, at our option, all documents necessary or desirable to permit us to exercise any of our right and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceed sigs in your name.

## 18. NON WAIVER BY US

Any bracch by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us do not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of bis Agreement.

#### 19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit with our prejudice to your liability on to our rights under this Agreement or a taw. 20. PAYENCUMBRANCES

We or the Receiver may pay any encombrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the

amounts so paid or borrowed togeth in with costs, charges, and expenses incurred in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged i y us on the Obligations and shall be secured by this Agreement.

### 21. PAYMENTS

We shall have the right to appropriate any dayment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

#### 22. DEFINITIONS

In this agreement 'you', 'yout' and 'yours' refer to the Customer named above. 'We'', ''our'', ''ours', and 'us' refer to CWB Maxium Finandal Inc.

#### 23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

### 24. ACKNOWLEDGEMENT & WAIVER

You admowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, wrification statement, or similar document we register

Kun persont WITNESS

Address: 218 Shoreview Court, Windsor, ON N8P 1M7

or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supply menting or replacing p.

## 25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns, provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in ful force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party nereto.

#### 26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be

### 27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

#### 28. ENTIRE AGREEMENT

You solonowledge that this is the entire agreement between you and us and there are no other written or oral representations or warrantles, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

## 29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

## 30. FURTHER ASSURANCES

You shall at all times do, execute acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

#### 31. GOVERNING LAW

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

Chin-To Yuen

# **1951584 ONTARIO INC. et al.** Applicants

and 2503338 ONTARIO INC. et al. Respondents

Court File No: CV- 20-00650853-00CL

## ONTARIO SUPERIOR COURT OF JUSTICE (Commercial List)

Proceeding commenced at Toronto

## NOTICE OF APPLICATION (VOLUME 1 OF 3)

## MILLER THOMSON LLP

Scotia Plaza 40 King Street West, Suite 5800 Toronto, ON Canada M5H 3S1

Jeffrey C. Carhart LSO#: 40947B Tel: 416.595.8615 / Fax: 416.595.8695 Email: jcarhart@millerthomson.com

Asim Iqbal LSO#: 61884B Tel: 416.595.8596 / Fax: 416.595.8695 Email: aiqbal@millerthomson.com

**Tamie Dolny LSO#: 77958U** Tel: 416.597.6076 / Fax: 416.595.8695 Email: tdolny@millerthomson.com

Lawyers for the Applicants