Court File No. CV-25-00089667-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

MORRISON FINANCIAL MORTGAGE CORPORATION

Applicant

and

1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL
and ANDREW TERENCE HILL

Respondents

APPLICATION UNDER SECTION 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

(Appointment of Receiver)

April 4, 2025

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
One Main Street West
Hamilton, ON L8P 4Z5

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Lawyers for the Applicant

TO: THE SERVICE LIST

THE SERVICE LIST (as at April 2, 2025)	
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Kimberley Gail Hill 137 Elgin Street, Suite 202 Port Elgin, ON N0H 2C6 Email: khill@bmts.com Respondent	**Andrew Terence Hill** 137 Elgin Street, Suite 202 Port Elgin, ON N0H 2C6 Email: ahill@hillbuild.com Guarantor
MSI SPERGEL INC. 21 King Street West, Suite 1602 Hamilton, ON L8P 4W7 **Trevor Pringle** Tel: 905-527-2227 Email: tpringle@spergel.ca Proposed Receiver	**ROBINS APPLEBY LLP** 120 Adelaide Street West, Suite 2600 Toronto, ON M5H 1T1 **Dominique Michaud (LSO No. 56871V)** Tel: 416-360-3795 Email: dmichaud@robapp.com Lawyers for Proposed Receiver
SECURED CREDITORS	
INTACT INSURANCE COMPANY 700 University Avenue Toronto, ON M5G 0A1	**THE TORONTO-DOMINION BANK** (No. 34762) 723 Goderich Street Port Elgin, ON N0H 2C3 Mailing Address: P.O. Box 430 Port Elgin, ON N0H 2C0 Tel: 519-832-2035

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NOTICE OF APPLICATION

TO THE RESPONDENTS

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

THIS APPLICATION will come on for a hearing *(choose one of the following)*

☐ In person
☐ By telephone conference
☒ By video conference

at the following location:

Ontario Superior Court of Justice, 45 Main Street East, Hamilton, Ontario on **Thursday, April 24, 2025 at 10:00 a.m.** with the Zoom link to be provided by the Court

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 Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, 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 Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, 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.

Harsimran K Sandhu

Digitally signed by Harsimran K Sandhu
Date: 2025.04.03 16:43:12 -04'00'

Date: April 1, 2025

Issued by "electronically issued"
Local Registrar

Address of court office: 45 Main Street East
Hamilton, ON L8N 2B7

TO: **THE SERVICE LIST**

THE SERVICE LIST **(as at April 1, 2025)**	
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Kimberley Gail Hill 137 Elgin Street, Suite 202 Port Elgin, ON N0H 2C6 Email: khill@bmts.com Respondent	**Andrew Terence Hill** 137 Elgin Street, Suite 202 Port Elgin, ON N0H 2C6 Email: ahill@hillbuild.com Guarantor
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SECURED CREDITORS	
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APPLICATION

The Applicant, Morrison Financial Mortgage Corporation (**"Morrison"**), makes an Application for:

(a) if necessary, an Order abridging the time for service and filing of the Application Record and dispensing with service on any person other than those served; and

(b) an Order substantially in the form contained at **Tab C** of the Application Record (the **"Appointment Order"**) appointing msi Spergel Inc. ("**Spergel**") as the receiver and manager (in such capacities, the "**Receiver**") without security, over all property, assets and undertaking of 1817955 Ontario Limited ("**181**") and Kimberley Gail Hill ("**Kimberley**") (the "**Borrowers**" or the "**Debtors"**) acquired for, or used in relation to, the Debtors' right, title and interest in and to all of the lands more particularly described at **Schedule "A"** (the **"Lands"**) of the Appointment Order including all proceeds thereof (the "**Property**") pursuant to s. 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**") and s. 101 of the *Courts of Justice Act*, RSO 1990, c C43, as amended (the "**CJA**"); and

(c) Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THE APPLICATION ARE:

I. THE PARTIES

1. Morrison is a company that provides mortgage financing to builders and developers.

2. 181 is a company that develops and renovates commercial and residential properties (the "**Business**"). 181 was incorporated pursuant to the laws of Ontario, with a registered office in Kincardine, Ontario.

3. Andrew Terence Hill ("**Andrew**") is the principal of 181 and is an officer and director of 181 holding the position of President. Andrew provided a limited guarantee of certain credit facilities, described below (the "**Guarantor**" or "**Covenantor**"), issued by Morrison to 181. Andrew is named in this Application to facilitate cooperation with the Receiver, once appointed.

4. Kimberley is the spouse of Andrew and is an officer of 181 holding the positions of Secretary and Treasurer. Kimberley was added as a co-borrower and also provided a limited guarantee of certain credit facilities, described below (the "**Guarantor**" or "**Covenantor**"), pursuant to the Fifth Amendment Letter (as described below) issued by Morrison to 181.

5. 181 was developing a project located at 1020 Goderich Street, Port Elgin, Ontario (the "**Property**"). 181 required financing in order to demolish an existing structure on the Property and subsequently construct a mixed-use condominium building with a 3-storey commercial space and a 4-storey 12-unit residential condominium complimented by underground parking and surface level parking (the "**Project**").

II. CREDIT FACILITIES

6. Morrison (as lender), 181 (as borrower), and Andrew (as guarantor) entered into a commitment letter dated October 26, 2021 (the "**Commitment Letter**" or the "**Loan Agreement**").

7. Pursuant to the Loan Agreement, Morrison advanced:

(a) for the purposes of the Morrison Loan, the total principal amount of $7,313,179.00 (**"Facility 1**"), for a term of twenty-four (24) months from the interest adjustment date, which is the first day of the month immediately after the month in which the first advance is made together with interest floating at a greater of 9% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest as adjusted from time to time plus 6.55% per annum, interest only, calculated daily, compounded and due monthly;

(b) for the purposes of a Morrison Mezzanine Loan, the total principal amount of $320,058.00 (**"Facility 2"**) for a term of twelve (12) months together with interest floating at a greater of 10% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest as adjusted from time to time plus 7.55% per annum, interest only, calculated daily, compounded and due monthly;

collectively Facility 1 and Facility 2 shall be referred to as the "**Loan**".

III. THE SECURITY DOCUMENTS

Security

8. Morrison holds a perfected security interest in all of the personal property of 181. Among others, Morrison holds the following security against 181:

(a) a General Security Agreement in respect of all of the personal property of 181 dated November 18, 2021 (the "**GSA**") with the grant of security being stipulated in paragraphs 1 (a) to (j) and the definition of "Collateral" set out at paragraph 1 of the GSA. Paragraph 9 of the GSA provides for the appointment of a receiver upon the occurrence of an event of default as set out in paragraph 6 of the GSA;

(b) an Assignment of Insurance in respect of insurance policies together with all proceeds and other amounts payable in respect of the policies;

(c) an Assignment of Contracts in respect of all of 181's interest in all municipal approvals and agreements and all construction and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property in connection with the construction of a mixed use condominium comprising a three storey commercial office tower and a four storey 12 unit residential tower complimented by underground parking and surface level parking in accordance with the Loan Agreement;

(d) an Assignment of Agreements of Purchase and Sale with respect to the commercial or residential condominium units 181 is in the process of constructing for third party purchasers;

(e) a Deficiency and Cost Overrun Agreement in respect of a budget shortfall amount to complete the construction of the project;

(f) an Assignment of Interest in Letters of Credit in respect of letters of credit 181 enters into with municipal authorities and agencies in the Town of Port Elgin, Ontario in connection with the construction project;

(g) Covenants in respect of equity maintenance, use of proceeds and performance of covenants;

(h) an Assignment of Condominium Voting Rights with respect to the Commercial Condominium Corporation and the Residential Condominium and/or the Condominium Units of either corporation;

(i) an Environmental Indemnity for matters in respect of the Property.

9. The personal property security of Morrison was perfected on November 16, 2021 by registration against 181 as related to the applicable personal property of 181 in the provincial registry maintained under the *Personal Property Security Act (Ontario)*, R.S.O. 1990, c P.10 (the "**PPSA**") under File No. 778263966 and Registration No. 20211116 1304 1902 5461.

The Guarantee

10. Andrew provided a personal guarantee in favour of Morrison dated November 18, 2021 for all present and future debts, liabilities and obligations together with interest, plus costs and expenses in respect of all indebtedness, liabilities and obligations of 181 (the "**Guarantee**").

11. The personal property security of Morrison was perfected on November 16, 2021 by registration against Andrew as related to Andrew's personal property in the provincial registry maintained under the PPSA under File No. 778261788 and Registration No. 20211116 1250 1901 1420.

Charge/Mortgage and Assignment of Rents

12. A first Charge/Mortgage in the principal amount of $9,541,546.25 was registered on November 24, 2021 as Instrument No. BR176854 ("the **Charge**") against the Property in favour of Morrison. Andrew is listed as a Guarantor.

13. A Notice of Assignment of Rents was registered on November 24, 2021 as Instrument No. BR176855 against the Property in favour of Morrison ("the **Assignment of Rents**").

14. Andrew on behalf of 181 and personally as Guarantor signed an Authorization allowing the law firm of Ruderman Shaw or Lori C. MacIntosh to insert certain dates and registration numbers which were left blank in certain security documents and related Loan documents as appropriate.

15. Andrew on behalf of 181 signed an Acknowledgement with respect to receipt of the Standard Charge Terms.

16. Andrew on behalf of 181 and personally as Guarantor signed a Non-Merger Acknowledgement in respect of the registered Charge, the Loan Documents and the Loan Agreement.

Priority of Morrison Charge/Mortgage and PPSA Registrations

17. A charge/mortgage in favour of The Guarantee Company of North America for the principal amount of $890,000.00 had been registered as Instrument No. BR163052 on December 9, 2020. A Notice of Application to Change Name from The Guarantee Company of North America to Intact Insurance Company ("**Intact**") was registered as Instrument No. BR176790 on November 23, 2021 with respect to this charge/mortgage.

18. Intact agreed to postpone its charge/mortgage in favour of Morrison's Charge and Morrison's Notice of Assignment of Rents. The Postponement of Interest was registered as Instrument No. BR176879 on November 25, 2021.

19. An Agreement Amending [the Intact] Charge/Mortgage of Land was entered into between 181 and Intact wherein the principal amount of the mortgage was increased from $890,000.00 to $1,100,000.00. This agreement was registered on title as Instrument No. BR176980 on November 26, 2021.

20. Intact and Morrison entered into a Priority Agreement dated November 24, 2021 in respect of the priority of the respective mortgages and PPSA registrations in which

Intact will at all times postpone and rank subordinate to Morrison, expect for the deposit monies received from purchasers of dwelling units in the Project held in a designated trust account.

IV. FINANCIAL DIFFICULTIES OF 181

Amendments to Commitment Letter

21. On March 2, 2022, Morrison attended a site visit at the Property at which time Morrison was informed of an approximate $800,000.00 cost overrun for the Project.

22. The Commitment Letter was amended by letter agreement dated March 23, 2022 ("**First Amendment Letter**") as follows:

(a) increase the Loan amount pursuant to a new Loan facility ("**Facility 3**") of $605,728.00 to account for a portion of the cost overrun;

(b) Morrison agreed to allocate $150,000.00 of project contingency to the cost overrun;

(c) total Loan amount was amended from $7,633,237.00 to $8,238,965.00;

(d) Facility 3 would be for a term of twenty-one (21) months from the interest adjustment date, but in no event would the term of Facility 3 exceed the term of Facility 1;

(e) interest floating at a greater of 11% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest as adjusted from time to time plus 8.55% per annum, interest only, calculated daily, compounded and due monthly

(f) amendments to the provisions of Interest Reserve, Partial Discharges and Advances were also included;

(g) a commitment fee in the amount of $18,172 was immediately due and payable and was advanced under Facility 3; and

(h) 181 agreed to provide an assignment of sale proceeds of 137 Elgin Street, Unit 204, Port Elgin in the minimum amount of $150,000.00 which was scheduled to close on April 28, 2022.

23. The Commitment Letter was further amended by letter agreement dated June 21, 2022 ("**Second Amendment Letter**") with respect to adding a Facility 4 to the Loan for purposes of an advance of $74,775 in cash to Westario Power Inc. or to a Canadian charted bank as security for a letter of credit in favour of Westario Power Inc., or a combination thereof ("**Facility 4**"). Facility 4 shall bear the same rate of interest as Facility 1. A commitment fee in the amount of $1,634.00 was added to the Loan amount. Amendments to the Partial Discharges provisions were also included.

24. The Commitment Letter was further amended by letter agreement dated November 23, 2022 ("**Third Amendment Letter**") with respect to extending the term of Facility 2 by twelve (12) months to November 30, 2023, increasing the interest reserve of Facility 2 by $51,804.01 to $82,066.01, Facility 2 shall be subject to an extension fee of

$7,216.46 payable upon acceptance and added to the outstanding Loan balance of Facility 2, and the Facility 2 Loan amount shall be increased to $412,369.22 from $320,058.00.

25. The Commitment Letter was further amended by letter agreement dated February 17, 2023 ("**Fourth Amendment Letter**") with respect to the term of Facility 4 for a period of twenty-four (24) months from the interest adjustment date, but in no event would the term of Facility 4 exceed the term of Facility 1.

26. On March 31, 2023, 181 reported to Morrison that it was nearing completion/occupancy of the commercial building and had started the foundations for the residential building on the Property. Delays and complications resulting from the COVID-19 pandemic resulted in cost overruns to the Project expected to total $780,000.00, as represented by 181. To accommodate these changes, 181 agreed to provide Morrison collateral security in additional properties and Morrison agreed to fund the first cost overrun of $162,446.00.

27. The Commitment Letter was further amended by letter agreement dated March 31, 2023 ("**Fifth Amendment Letter**") whereby:

(a) Kimberley shall be added as a co-borrower to the Loan in support of the additional security being provided against matrimonial homes located at 1632 Concession Road 12, Kincardine, Ontario and legally described as LT F CON 13 Bruce; Kincardine, being PIN 33277-0054 LT ("**1632 Conc 12**") in an amount equal to $800,000.00 and 137 Elgin Street, Unit 202, Port Elgin,

Ontario and legally described as Unit 2, Level 2 Bruce Standard Condominium Plan No. 34 and its appurtenant interest; Town of Saugeen Shores, being PIN 33834-0002 LT ("**202-137 Elgin**") in an amount equal to $300,000.00;

(b) the Loan amount shall be increased from $8,413,001.00 to $8,575,467.00 with the increase being applicable to Facility 3 and increasing Facility 3 from $605,728.00 to $768,194.00;

(c) an additional commitment fee of $3,250.00 associated with the increased Loan amount on account of the cost overrun and shall be funded under Facility 3; and

(d) amendments related to the ranking of security and discharge of security against 1632 Conc 12 and 202-137 Elgin were also included.

V. CHARGES REGISTERED ON 1632 CONC 12 AND 202-137 ELGIN

Charge/Mortgage

28. A second Charge/Mortgage in the principal amount of $800,000.00 was registered on May 18, 2023 as Instrument No. BR194348 against 1632 Conc 12 in favour of Morrison (the "**1632 Conc 12 Charge**").

29. A second Charge/Mortgage in the principal amount of $300,000.00 was registered on May 18, 2023 as Instrument No. BR194349 against 202-137 Elgin in favour of Morrison (the "**202-137 Elgin Charge**").

30. Andrew and Kimberley signed an Acknowledgement with respect to receipt of the Standard Charge Terms.

Security

31. The personal property security of Morrison was re-registered against 181 on April 21, 2023 under File No. 792570753 and Registration No. 20230421 1022 1901 0073.

The Guarantee

32. Kimberley provided a personal guarantee in favour of Morrison dated May 4, 2023 for all present and future debts, liabilities and obligations together with interest, plus costs and expenses in respect of all indebtedness, liabilities and obligations of 181 (the "**Guarantee**").

33. The personal property security of Morrison was perfected on April 21, 2023 by registration against Andrew and Kimberley as related to Andrew and Kimberley's personal property in the provincial registry maintained under the PPSA under File No. 792571005 and Registration No. 20230421 1032 1901 0075.

Independent Legal Advice Provided to Kimberley

34. Prior to executing the above documentation, Kimberley received independent legal advice from Judy Maria Rich with respect to the mortgage on the Property and being added as a co-borrower and guarantor to the Loan in favour of Morrison and in support of the additional security being provided against 1632 Conc 12 and 202-137 Elgin.

VI. CHANGE IN BUSINESS PLAN OF 181

35. In June 2023, 181 advised Morrison that it had changed its Business Plan with the intention to alter and/or upgrade parts of the commercial building to prepare it for use in support of a shared use office space business to be sold to a separate legal entity owned by Andrew. As a result of this change in Business Plan and complications arising from the COVID-19 pandemic, 181 informed Morrison of a budget increase representing a cost overrun of approximately $1,470,000.00 to be funded by 181. Despite this change in Business Plan being neither presented nor approved, Morrison agreed to an increase in the Loan amount of $190,454.00 to cover the current component of the cost overrun.

36. The Commitment Letter was amended by letter agreement dated June 26, 2023 ("**Sixth Amendment Letter**") as follows:

(a) Loan amount shall be increased from $8,575,467.00 to $8,765,921.00 with the increase being applicable to Facility 3 and increasing Facility 3 from $768,194.00 to $958,648.00; and

(b) an additional commitment fee of $3,734.00 associated with the increased Loan amount on account of the cost overrun and shall be funded under Facility 3.

37. 181 submitted an updated Project budget on August 2, 2023. 181 continued to develop its strategy and provide Business Plan updates to Morrison on an ongoing basis. Despite 181's current Business Plan which resulted in cost overruns which are events of

default under the Loan, Morrison was prepared to amend the Commitment Letter further by letter agreement dated August 11, 2023 ("**Seventh Amendment Letter**") as follows:

(a) on August 1, 2023, the balances outstanding under the current Facilities 1, 2, 3 and 4 of the Loan shall all be consolidated into Facility 1, its balance shall equal $4,608,831.10 and Facilities 2, 3 and 4 shall be extinguished. To accommodate the increased budget, the total Loan amount maximum shall be increased from $8,765,921.00 to $10,187,447.00;

(b) commencing August 1, 2023, the interest rate applicable to Facility 1 shall be floating at the greater of 14.00% per annum and the Royal Bank of Canada Prime Rate of Interest as set by Royal Bank of Canada from time to time plus 6.80% per annum, interest only, calculated daily, compounded and due monthly;

(c) an additional commitment fee of $6,302.10 associated with the increased Loan amount shall be advanced under Facility 1;

(d) the current Charge registered against the Property shall be amended to increase the security registration from $9,541,546.25 to $12,000,000.00; and

(e) additional amendments to the Interest Reserve and Partial Discharges were also included.

VII. AMENDMENT TO CHARGE

38. In order to facilitate the amendment of the Charge registered against the Property, the following documents were signed:

(a) an Assignment of Insurance in respect of insurance policies together with all proceeds and other amounts payable in respect of the policies; and

(b) a Deficiency and Cost Overrun Agreement in respect of a budget shortfall amount to complete the construction of the project.

39. The PPSA registration was amended against 181 on September 7, 2023 when the Loan amount was increased to $12,000,000.00 under File No. 792570753 and Registration No. 20230907 1645 5064 8022.

40. The PPSA registration was amended against Andrew and Kimberley on September 11, 2023 when the Loan amount was increased to $12,000,000.00 under File No. 792571005 and Registration No. 20230911 1118 5064 8092.

Amended Charge/Mortgage and Assignment of Rents

41. The parties entered into an Agreement dated August 1, 2023 formally amending the provisions of the Charge. This Agreement was registered as a Notice on title to the Property on October 13, 2023 as Instrument No. BR198964 (the "**Amended Charge Notice**").

42. A Notice of Assignment of Rents was registered on October 13, 2023 as Instrument No. BR198965 against the Property in favour of Morrison (the "**Amended Assignment of Rents**").

43. Andrew on behalf of 181 and personally as Guarantor and Kimberley as Guarantor signed an Authorization allowing the law firm of Ruderman Shaw or Tina Blair to insert certain dates and registration numbers which were left blank in certain security documents and related documents as appropriate.

44. Andrew on behalf of 181 and personally as Guarantor and Kimberley signed a Non-Merger Acknowledgement in respect of the registered Charge, the Loan Documents and the Loan Agreement.

Priority of Morrison Amended Charge/Mortgage and PPSA Registrations

45. Intact again agreed to postpone its charge/mortgage in favour of Morrison's Amended Charge Notice and Morrison's Amended Assignment of Rents. The Postponement of Interest was registered as Instrument No. BR198966 on October 13, 2023.

46. Intact and Morrison entered into a further Priority Agreement dated October 13, 2023 in respect of the priority of the respective mortgages and PPSA registrations in which Intact will at all times postpone and rank subordinate to Morrison, expect for the deposit monies received from purchasers of dwelling units in the Project held in a designated trust account.

VIII. EXPIRY OF LOAN TERM

47. The Loan term expired on December 1, 2023 at which time 181 was required to pay the full amount outstanding. Due to the Project not being completed, 181 requested that the term be extended. Morrison agreed to amend the Commitment Letter by letter agreement dated December 12, 2023 ("**Eighth Amendment Letter**") with respect to the following:

(a) advances under the Loan will be paused, with the exception of Draw 13, during which time 181 will work to obtain proceeds from conveyance of commercial unit presale of the Project. 181 represents that the occupancy of the commercial building will begin towards the end of January 2024 with closings expected to commence March 2024. Upon Morrison being satisfied with certain thresholds as set out in the Eighth Amendment Letter, it will consider resuming Loan advances in support of the Project;

(b) the term of Facility 1 shall be extended by twelve (12) months and the end of term date shall be amended from December 1, 2023 to December 1, 2024;

(c) an extension fee of $110,412.00 shall be advanced under Facility 1 and bear interest from December 1, 2023; and

(d) the Loan amount shall be increased from $10,187,447.00 to $11,041,204.00.

48. One of the conditions of the Eighth Amendment Letter was for 181 to provide an updated cost to complete the Project provided by a new cost consultant confirming the

ongoing viability of the residential component of the Business Plan. It is Morrison's understanding that 181's cost consultant (Abacus Construction Consulting Inc.) had resigned due to disagreements with Andrew and changes to 181's budget.

IX. SALE OF 1632 CONC 12

49. On May 2, 2024, Andrew and Kimberley closed the sale of their residence located at 1632 Conc 12 at which time the 1632 Conc 12 Charge in favour of Morrison was discharged. Morrison received the sum of $169,852.44 of which $500.00 was for the discharge fee and the balance of $169,352.44 was applied to the principal owing under the Loan.

X. CORRESPONDENCE WITH 181/ANDREW

50. On February 8, 2024, Andrew emailed Graham Banks (Senior Vice President of Morrison), Matthew Solda (Vice President of Morrison) and Fahad Warsi seeking a further draw on the Loan. Mr. Banks responded to Andrew the same day to indicate that due to incorrect and misleading information received directly from Andrew, Morrison would consider financing only those items which form part of the critical path to completing the commercial space and generating revenue from its sale. If Morrison agreed to do so, it would likely make payments directly to suppliers. Morrison also requested a number of items to be considered by its credit committee as follows:

1. A list and copy of all reports and other information which are required by the City or other government entities prior to their issuance of occupancy certificates.
2. A copy of the contract with Stubbe's Precast Inc. along with a narrative as to where the contract currently stands.
3. Updated site photos showing work in place and to complete prior to closing commercial sales.
4. A photograph of the sign ordered from Cora Computers Inc. and a description of its intended use.
5. Details of your objectives for the event planned for February 20 along with a list of who you anticipate will be attending. We are eager to substantiate your claims that there is significant market demand for your end product. If our attendance at this gathering will lend credence to your assertions that sale revenues are forthcoming promptly, then we will welcome an invitation to attend.

51. On February 12, 2024, Andrew provided Fahad Warsi with the following by email:

(a) Stubbe's quotation dated October 23, 2020, proposed change order dated January 13, 2021 and statement of values dated November 20, 2023;

(b) A spreadsheet of income and expenses for the digital sign;

(c) A spreadsheet of current payables and draw 14 breakdown as of February 12, 2024; and

(d) A budget summary spreadsheet for 2024.

52. Morrison began paying all suppliers directly since March 2024.

53. 181 failed to provide an updated cost to complete the Project provided by a new cost consultant confirming the ongoing viability of the residential component of the Business Plan.

54. On March 14, 2024, Robyn Player (**"Robyn"**) of BTY Global, a new cost consultant engaged on behalf of 181, advised there was "an overage of $1,679,618 which will be required to be injected with additional equity. Based on the equity requirement and costs

incurred to date, you are $1,310,344 away from being within a draw position (provided the equity is injected)".

55. On July 22, 2024, Andrew replied to Robyn indicating:

> [F]irst off, my apologies for the long delayed communication. The Powerlink project has been proceeding at a much slower pace than we would have liked but the commercial portion of the build is now complete. We have struggled to make an economic case for the residential build but believe we have found a solution which involves expanding the 12-suite design to 18 suites by inserting an additional floor. We had proposed this to the Municipality originally but scaled back to 12 suites when we had some local objections. We have a site plan approval for the 18 suites and have the Architectural almost complete. We are reviewing the mechanical and electrical and calling for revised quotes. We will need BTY to review the revised budget which will be a standalone review for the residential component of the build. Many items as already reviewed by you will remain relatively unchanged. I would appreciate you reactivating the file and standing by for the updated figures so we can satisfy the request from the lender for an updated cost consultant review of the budget. In addition we would look to you to assist in the preparation of a cash flow analysis.

56. Robyn responded that she would stand by for the information and prepare an update to the report.

57. After July 22, 2024, Morrison is not aware of any additional communication. Additionally, Morrison requires a report from the cost consultant for every draw/advance. Since the commercial building was close to completion when the previous cost consultant resigned, Andrew stated that he could not find a new cost consultant to take over the draw reports for the commercial portion but draw reports would be forthcoming when the residential building began. This did not occur nor was an updated budget provided by a cost consultant.

58. On August 6, 2024, Andrew emailed Mr. Banks seeking approval for ordering the “icf block” (insulated concrete forms) to complete the next level. Mr. Banks responded that, “we do not have credit in place to proceed past the installation of steel in parking garage and its capping precast concrete as previously agreed”. Andrew and Mr. Banks continued to exchange emails and Mr. Banks indicated that the Project should be paused to allow for the residential plan revision to 18 units to be incorporated into the Business Plan.

59. On November 23, 2024, Andrew provided a spreadsheet with respect to the costs to construct for the residential budget. On November 25, 2024, Fahad Warsi requested Andrew to provide the rationale for his hard cost numbers as they related to the residential building. Andrew did not provide his rationale, but did respond to my email.

60. On December 10, 2024, Mr. Banks emailed Andrew with respect to the anticipated closing sales of the pre-sold commercial units and the partial discharges. He also indicated to Andrew that the Loan is in default because 181 is not following the Business

Plan as laid out in the Loan Agreement. Mr. Banks set out a number of conditions for the partial discharges and suggested a third party expert to devise a plan to move the Project forward. Andrew was not receptive.

61. On January 24, 2025, Andrew emailed David Morrison (CEO of Morrison), Mr. Banks, Alenna Emer (CFO of Morrison) and Fahad Warsi advising that he had architectural drawings for the 12 new residential suites; however, he did not intend to move any further with the redevelopment of the residential portion of the building until a mutually acceptable agreement was reached.

62. On January 30, 2025, Andrew emailed Mr. Morrison and indicated that a buyer had requested a release of their deposit due to the extended delays. Andrew advised that 181 had insufficient funds in trust to return the deposit. Andrew and Mr. Morrison exchanged further emails regarding sales and marketing of the commercial units and the residential suites. In the January 30, 2025 email sent at 8:34 a.m., Mr. Morrison indicated to Andrew that Morrison “intend[s] to commence action under our mortgage enforcement remedies and put in place a receiver”.

63. On February 10, 2025, Morrison provided funds direct to 181’s insurance broker to pay the premiums to maintain the insurance policy(s) in place.

64. Between February 20, 2025 and February 23, 2025 Andrew and Mr. Morrison exchanged emails with respect to the market for commercial and residential units.

XI. DEFAULTS, DEMANDS, AND NOTICE OF INTENTION TO ENFORCE

65. Following the execution of the Second Amendment Letter, Third Amendment Letter, Fourth Amendment Letter, Fifth Amendment Letter, Sixth Amendment Letter, Seventh Amendment Letter, and Eighth Amendment Letter (collectively, the "**Amendment Letters**"), numerous events of default under the Loan have occurred.

66. 181 and Kimberley's defaults are existing and continuing, including, but not limited to the defaults described below:

(a) 181 and Kimberley have failed to make prompt payment of the amounts due under Facility 1;

(b) 181 and Kimberley failed to repay the Charge in accordance with the provisions of the Eighth Letter of Amendment;

(c) 181 has incurred cost overruns in relation to the Project;

(d) 181 is not following the Business Plan as laid out in the Loan Agreement;

(e) 181 has provided incorrect and misleading information to Morrison; and

(f) 181 has failed to provide an updated cost to complete the Project provided by a new cost consultant confirming the ongoing viability of the residential component of the Business Plan.

67. On March 4, 2025, Gowling WLG (Canada) LLP (**"Gowlings"**) acting on behalf of Morrison issued the following to 181 and Kimberley (as borrowers) and Andrew and Kimberley as the Guarantors:

(a) A demand for payment (the "**Demand Letter**") of the total indebtedness owing as of February 27, 2025 plus interest and legal costs to Morrison as set out in Schedule "B" to the Demand Letter by the deadline of March 15, 2025; and

(b) a Notice of Intention to Enforce Security on the property of 181 pursuant to section 244(1) of the BIA (the **"BIA 244 Notice"**).

XII. NEED FOR A RECEIVER

68. As of February 27, 2025, the aggregate indebtedness of 181 and Kimberley due and owing to Morrison under the Loan was $7,621,723.65 in addition to ongoing accrual of interest at the rates specified for Facility 1 excluding additional legal fees, disbursements and HST (the "**Indebtedness**").

69. Neither 181 nor Kimberley are able to pay the Indebtedness owing.

70. The statutory notice periods provided for under the Demand Letter and BIA 244 Notice have all expired.

71. Morrison has lost confidence in the management of 181 for all of the reasons detailed in the affidavit.

72. 181 has no ability to fund ongoing construction of the Project and this is eroding the value of Morrison's security position due to the accrual of the Indebtedness without meaningful repayment of the Loan.

73. Morrison has suffered and is expected to continue to suffer substantial prejudice as a result of 181's failure to properly advance the Project. The appointment of the Receiver is necessary to preserve the value of the Project and Morrison's collateral.

74. Upon appointment, the Receiver will assess the state of the Project and determine a strategy for recovery for the benefit of all stakeholders, including communicating directly with all affected parties.

75. The Loan Agreement at paragraph 10 of Schedule A states:

> **10. Events of Default:** Notwithstanding the terms set out herein, forthwith upon the occurrence of any of the following events the full amount due and owing to the Lender, whether as advances, fees interest, costs or otherwise, shall be accelerated and become immediately due and payable in full:
>
> (a) The Borrower, after seven (7) days' written notice, continues to be in default in payment of any amount due from time to time or of any fee or other sum due;
>
> (b) The discovery by the Lender that the Borrower, or anyone acting on its behalf, has made a material false representation upon which the Lender actually relied or was reasonably entitled to rely in granting or continuing this facility;
>
> (c) Any default by the Borrower in the observance or performance of any of the other covenants or agreements on its part to be observed or performed hereunder, and the failure to cure such default within fifteen (15) days after written notice thereof is given by the Lender;
>
> (d) The Borrower or any Guarantor shall fail to perform or observe any covenant, condition, or provision to be performed or observed by either of them under the terms of this facility, the security, or any other agreement in writing, after receipt of fifteen (15) days' notice;
>
> (e) Any insurance policies to be provided by the Borrower pursuant hereto shall be or become cancelled or invalidated or altered below stated requirements for any reason before such policy is replaced with another which complies with the provisions hereof;
>
> (f) The Borrower shall fail to maintain reasonable currency with respect to government priority payables;
>
> (g) The Borrower or any Covenantor(s).
>
> (i) Shall suspend or discontinue its business;
>
> (ii) Shall become insolvent (however such insolvency may be evidenced), bankrupt, or commit an act of bankruptcy;
>
> (iii) Shall make an assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts as they mature, or if bankruptcy, reorganization, arrangement, insolvency, or similar proceedings for relief of financially distressed debtors shall be instituted against them;
>
> (iv) Shall petition for or there shall be appointed for them, or for a substantial part of their assets, a trustee, receiver, or liquidator; or
>
> (v) Shall take any action for the purpose of effecting any of the foregoing.

76. Paragraph 9 of the GSA allows for the appointment of the Receiver:

> 9. If, pursuant to paragraph 6 hereof, the Secured Party declares that the Obligations secured by this Agreement shall immediately become due and payable in full, the Secured Party may (in addition to any other rights or remedies provided by statute or other law or provided by this Agreement) take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term shall include a receiver and manager) of the Collateral or of any part thereof or may by instrument in writing appoint any person to be a receiver of the Collateral or of any part thereof and may remove any receiver so appointed by the Secured Party and appoint another in his stead; and any such receiver appointed by instrument in writing shall have power
>
> (a) to take possession of the Collateral or any part thereof,
>
> (b) to carry on the business of the Debtor,
>
> (c) to borrow money required for the maintenance, preservation, or protection of the Collateral or any part thereof or for the carrying on of the business of the Debtor, and
>
> (d) to sell, lease, or otherwise dispose of the whole or any part of the Collateral at public auction, by public tender, or by private sale, either for cash or upon credit, at such time and upon such terms and conditions as the receiver may determine; provided that any such receiver shall be deemed the agent of the Debtor and the Secured Party shall not be in any way responsible for any misconduct or negligence of any such receiver.

77. If this Honourable Court sees fits to make such an appointment, Spergel has consented to act as Receiver. Spergel is a licensed insolvency trustee and has significant experience in mandates of this nature.

78. It is just and convenient for the court to appoint the Receiver.

79. Section 243 of the BIA.

80. Section 101 of the CJA.

81. Rules 1.04, 3.02, 14.05(3)(d), 16.08 and 38 of the *Rules of Civil Procedure*.

82. Such further and other grounds as the lawyers may advise and this Honourable Court permits.

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

(a) The affidavit of Fahad Warsi affirmed and the exhibits to the affidavit;

(b) Such further and other evidence as the lawyers may advise and this Honourable Court permits.

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Lawyers for the Applicant

Court File: CV-25-00089667-0000

MORRISON FINANCIAL MORTGAGE CORPORATION - and - 1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL

Applicant Respondents

042

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT HAMILTON

NOTICE OF APPLICATION

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File Number: G10024542

TAB B

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

MORRISON FINANCIAL MORTGAGE CORPORATION

Applicant

and

1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL
and ANDREW TERENCE HILL

Respondents

APPLICATION UNDER SECTION 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 FAHAD WARSI
(Affirmed March 31, 2025)

I, Fahad Warsi, of the City of Toronto, in the Province of Ontario, AFFIRM:

1. I am the Director of Mortgage Underwriting at Morrison Financial Mortgage Corporation ("**Morrison**" or the **"Lender"**), the Applicant in this proceeding. I have personal knowledge of the matters contained in this affidavit, except where I refer to matters based on information and belief, in which case I state the source of that information or belief, and believe it to be true. For events that took place from October 2022 to May 2023, a period during which I was not with Morrison, I have relied upon my review of the documents in making this affidavit.

2. I make this affidavit in support of Morrison's application for an order (the "**Appointment Order**"), among other things, appointing msi Spergel Inc. (**"Spergel"**) as receiver and manager (in such capacity, the "**Receiver**") pursuant

to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the "**CJA**") without security, over all of the property, assets and undertaking of 1817955 Ontario Limited ("**181**") and Kimberley Gail Hill ("**Kimberley**") personally as she is a co-borrower (collectively referred to as the "**Debtors**") acquired for, or used in relation to, 181's business, including all proceeds from 181's business (the "**Property**").

I. THE PARTIES

3. Morrison is a company that provides mortgage financing to builders and developers.

4. 181 is a company that develops and renovates commercial and residential properties (the "**Business**"). 181 was incorporated pursuant to the laws of Ontario, with a registered office in Kincardine, Ontario. Attached as **Exhibit "1"** is a true copy of the Corporate Profile of 181, obtained from the provincial ministry with a file currency date of February 19, 2025.

5. Andrew Terence Hill ("**Andrew**") is the principal of 181 and is an officer and director of 181 holding the position of President. Andrew provided a limited guarantee of certain credit facilities, described below (the "**Guarantor**" or "**Covenantor**"), issued by Morrison to 181. Andrew is named in this Application to facilitate cooperation with the Receiver, once appointed.

6. Kimberley is the spouse of Andrew and is an officer of 181 holding the positions of Secretary and Treasurer. Kimberley was added as a co-borrower and also

provided a limited guarantee of certain credit facilities, described below (the "**Guarantor**" or "**Covenantor**") pursuant to the Fifth Amendment Letter (as described below) issued by Morrison to 181.

7. 181 was developing a project located at 1020 Goderich Street, Port Elgin, Ontario and legally described as Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores; being PIN 33268-2035 LT (the "**Property**"). 181 required financing in order to demolish an existing structure on the Property and subsequently construct a mixed-use condominium building with a 3-storey commercial space and a 4-storey 12-unit residential condominium complimented by underground parking and surface level parking (the "**Project**").

II. CREDIT FACILITIES

8. Morrison (as lender), 181 (as borrower), and Andrew (as guarantor) entered into a commitment letter dated October 26, 2021 (the "**Commitment Letter**" or the "**Loan Agreement**"). Attached as **Exhibit "2"** is a true copy of the Commitment Letter.

9. Pursuant to the Loan Agreement, Morrison advanced:

   (a) for the purposes of the Morrison Loan, the total principal amount of $7,313,179.00 (**"Facility 1**"), for a term of twenty-four (24) months from the interest adjustment date, which is the first day of the month immediately after the month in which the first advance is made together with interest floating at a greater of 9% per annum and the Bank of Nova Scotia Posted

Bank Prime Rate of Interest as adjusted from time to time plus 6.55% per annum, interest only, calculated daily, compounded and due monthly;

(b) for the purposes of a Morrison Mezzanine Loan, the total principal amount of $320,058.00 (**"Facility 2"**) for a term of twelve (12) months together with interest floating at a greater of 10% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest as adjusted from time to time plus 7.55% per annum, interest only, calculated daily, compounded and due monthly;

collectively Facility 1 and Facility 2 shall be referred to as the "**Loan**".

III. THE SECURITY DOCUMENTS

Security

10. Morrison holds a perfected security interest in all of the personal property of 181. Among others, Morrison holds the following security against 181:

(a) a General Security Agreement in respect of all of the personal property of 181 dated November 18, 2021 (the "**GSA**") with the grant of security being stipulated in Paragraphs 1 (a) to (j) and the definition of "Collateral" set out at Paragraph 1 of the GSA. Paragraph 9 of the GSA provides for the appointment of a receiver upon the occurrence of an event of default as set out in Paragraph 6 of the GSA. Attached as **Exhibit "3"** is a true copy of the GSA;

(b) an Assignment of Insurance in respect of insurance policies together with all proceeds and other amounts payable in respect of the policies. Attached as **Exhibit "4"** is a true copy of the Assignment of Insurance dated November 18, 2021;

(c) an Assignment of contracts in respect of all of 181's interest in all municipal approvals and agreements and all construction and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property in connection with the construction of a mixed use condominium comprising a three storey commercial office tower and a four storey 12 unit residential tower complimented by underground parking and surface level parking in accordance with the Loan Agreement. Attached as **Exhibit "5"** is a true copy of the Assignment of contracts dated November 18, 2021;

(d) an Assignment of Agreements of Purchase and Sale with respect to the commercial or residential condominium units 181 is in the process of constructing for third party purchasers. Attached as **Exhibit "6"** is a true copy of the Assignment of Agreements of Purchase and Sale dated November 18, 2021;

(e) a Deficiency and Cost Overrun Agreement in respect of a budget shortfall amount to complete the construction of the project. Attached as **Exhibit "7"** is a true copy of the Deficiency and Cost Overrun Agreement dated November 18, 2021;

(f) an Assignment of Interest in Letters of Credit in respect of letters of credit 181 enters into with municipal authorities and agencies in the Town of Port Elgin, Ontario in connection with the construction project. Attached as **Exhibit "8"** is a true copy of the Assignment of Interest in Letters of Credit;

(g) Covenants in respect of equity maintenance, use of proceeds and performance of covenants. Attached as **Exhibit "9"** is a true copy of the Covenants dated November 18, 2021;

(h) an Assignment of Condominium Voting Rights with respect to the Commercial Condominium Corporation and the Residential Condominium and/or the Condominium Units of either corporation. Attached as **Exhibit "10"** is a true copy of the Assignment of Condominium Voting Rights dated November 18, 2021;

(i) an Environmental Indemnity for matters in respect of the Property. Attached as **Exhibit "11"** is a true copy of the Environmental Indemnity dated November 18, 2021.

11. The personal property security of Morrison was perfected on November 16, 2021 by registration against 181 as related to the applicable personal property of 181 in the provincial registry maintained under the *Personal Property Security Act (Ontario)*, R.S.O. 1990, c P.10 (the "**PPSA**") under File No. 778263966 and Registration No. 20211116 1304 1902 5461. Attached as **Exhibit "12"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated November 18, 2021 in which Andrew on behalf of 181

acknowledged receiving a copy of the financing statement registered in favour of Morrison.

The Guarantee

12. Andrew provided a personal guarantee in favour of Morrison dated November 18, 2021 for all present and future debts, liabilities and obligations together with interest, plus costs and expenses in respect of all indebtedness, liabilities and obligations of 181 (the "**Guarantee**"). Attached as **Exhibit "13"** is a true copy of the Guarantee and Postponement of Claims.

13. The personal property security of Morrison was perfected on November 16, 2021 by registration against Andrew as related to Andrew's personal property in the provincial registry maintained under the PPSA under File No. 778261788 and Registration No. 20211116 1250 1901 1420. Attached previously as **Exhibit "12"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated November 18, 2021 in which Andrew personally acknowledged receiving a copy of the financing statement registered in favour of Morrison.

Charge/Mortgage and Assignment of Rents

14. A first Charge/Mortgage in the principal amount of $9,541,546.25 was registered on November 24, 2021 as Instrument No. BR176854 ("the **Charge**") against the Property in favour of Morrison. Andrew is listed as a Guarantor. Attached as **Exhibit "14"** is a true copy of the Acknowledgement and Direction dated

November 18, 2021 authorizing the electronic registration of the Charge/Mortgage signed by Andrew on behalf of 181 and personally as Guarantor. Attached as **Exhibit "15"** is a true copy of the registered Charge.

15. A Notice of Assignment of Rents was registered on November 24, 2021 as Instrument No. BR176855 against the Property in favour of Morrison ("the **Assignment of Rents**"). Attached as **Exhibit "16"** is a true copy of the Acknowledgement and Direction dated November 18, 2021 authorizing the electronic registration of the Notice of Assignment of Rents signed by Andrew on behalf of 181. Attached as **Exhibit "17"** is a true copy of the registered Assignment of Rents.

16. Andrew on behalf of 181 and personally as Guarantor signed an Authorization allowing the law firm of Ruderman Shaw or Lori C. MacIntosh to insert certain dates and registration numbers which were left blank in certain security documents and related Loan documents as appropriate. Attached as **Exhibit "18"** is a true copy of the Authorization dated November 18, 2021.

17. Andrew on behalf of 181 signed an Acknowledgement with respect to receipt of the Standard Charge Terms. Attached as **Exhibit "19"** is a true copy of the Acknowledgement dated November 18, 2021.

18. Andrew on behalf of 181 and personally as Guarantor signed a Non-Merger Acknowledgement in respect of the registered Charge, the Loan Documents and the Loan Agreement. Attached as **Exhibit "20"** is a true copy of the Non-Merger Acknowledgement dated November 18, 2021.

Priority of Morrison Charge/Mortgage and PPSA Registrations

19. A charge/mortgage in favour of The Guarantee Company of North America for the principal amount of $890,000.00 had been registered as Instrument No. BR163052 on December 9, 2020. A Notice of Application to Change Name from The Guarantee Company of North America to Intact Insurance Company ("**Intact**") was registered as Instrument No. BR176790 on November 23, 2021 with respect to this charge/mortgage.

20. Intact agreed to postpone its charge/mortgage in favour of Morrison's Charge and Morrison's Notice of Assignment of Rents. Attached as **Exhibit "21"** is a true copy of the Postponement of Interest registered as Instrument No. BR176879 on November 25, 2021.

21. An Agreement Amending [the Intact] Charge/Mortgage of Land was entered into between 181 and Intact wherein the principal amount of the mortgage was increased from $890,000.00 to $1,100,000.00. This agreement was registered on title as Instrument No. BR176980 on November 26, 2021. Attached as **Exhibit "22"** is a true copy of the registered Notice.

22. Intact and Morrison entered into a Priority Agreement dated November 24, 2021 in respect of the priority of the respective mortgages and PPSA registrations in which Intact will at all times postpone and rank subordinate to Morrison, expect for the deposit monies received from purchasers of dwelling units in the Project held in a designated trust account. Attached as **Exhibit "23"** is a true copy of the Priority Agreement.

23. Attached as **Exhibit "24"** is true copy of the parcel register for the Property with a currency date of February 19, 2025.

IV. FINANCIAL DIFFICULTIES OF 181

Amendments to Commitment Letter

24. On March 2, 2022, Morrison attended a site visit at the Property at which time Morrison was informed of an approximate $800,000.00 cost overrun for the Project.

25. The Commitment Letter was amended by letter agreement dated March 23, 2022 ("**First Amendment Letter**") as follows:

(a) increase the Loan amount pursuant to a new Loan facility ("**Facility 3**") of $605,728.00 to account for a portion of the cost overrun;

(b) Morrison agreed to allocate $150,000.00 of project contingency to the cost overrun;

(c) total Loan amount was amended from $7,633,237.00 to $8,238,965.00;

(d) Facility 3 would be for a term of twenty-one (21) months from the interest adjustment date, but in no event would the term of Facility 3 exceed the term of Facility 1;

(e) interest floating at a greater of 11% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest as adjusted from time to time plus

8.55% per annum, interest only, calculated daily, compounded and due monthly

(f) amendments to the provisions of Interest Reserve, Partial Discharges and Advances were also included;

(g) a commitment fee in the amount of $18,172 was immediately due and payable and was advanced under Facility 3; and

(h) 181 agreed to provide an assignment of sale proceeds of 137 Elgin Street, Unit 204, Port Elgin in the minimum amount of $150,000.00 which was scheduled to close on April 28, 2022.

Attached as **Exhibit "25"** is a true copy of the First Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor accepting the terms and conditions. Attached as **Exhibit "26"** is a true copy the Direction re Funds dated March 29, 2022 directing $150,000.00 to Morrison from the proceeds of sale of 137 Elgin Street, Unit 204, Port Elgin.

26. The Commitment Letter was further amended by letter agreement dated June 21, 2022 ("**Second Amendment Letter**") with respect to adding a Facility 4 to the Loan for purposes of an advance of $74,775 in cash to Westario Power Inc. or to a Canadian charted bank as security for a letter of credit in favour of Westario Power Inc., or a combination thereof ("**Facility 4**"). Facility 4 shall bear the same rate of interest as Facility 1. A commitment fee in the amount of $1,634.00 was added to the Loan amount. Amendments to the Partial Discharges provisions were

also included. Attached as **Exhibit "27"** is a true copy of the Second Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor accepting the terms and conditions.

27. The Commitment Letter was further amended by letter agreement dated November 23, 2022 ("**Third Amendment Letter**") with respect to extending the term of Facility 2 by twelve (12) months to November 30, 2023, increasing the interest reserve of Facility 2 by $51,804.01 to $82,066.01, Facility 2 shall be subject to an extension fee of $7,216.46 payable upon acceptance and added to the outstanding Loan balance of Facility 2, and the Facility 2 Loan amount shall be increased to $412,369.22 from $320,058.00. Attached as **Exhibit "28"** is a true copy of the Third Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor accepting the terms and conditions.

28. The Commitment Letter was further amended by letter agreement dated February 17, 2023 ("**Fourth Amendment Letter**") with respect to the term of Facility 4 for a period of twenty-four (24) months from the interest adjustment date, but in no event would the term of Facility 4 exceed the term of Facility 1. Attached as **Exhibit "29"** is a true copy of the Fourth Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor accepting the terms and conditions.

29. On March 31, 2023, 181 reported to Morrison that it was nearing completion/occupancy of the commercial building and had started the foundations for the residential building on the Property. Delays and complications resulting from the COVID-19 pandemic resulted in cost overruns to the Project expected to total

$780,000.00, as represented by 181. To accommodate these changes, 181 agreed to provide Morrison collateral security in additional properties and Morrison agreed to fund the first cost overrun of $162,446.00.

30. The Commitment Letter was further amended by letter agreement dated March 31, 2023 ("**Fifth Amendment Letter**") whereby:

(a) Kimberley shall be added as a co-borrower to the Loan in support of the additional security being provided against matrimonial homes located at 1632 Concession Road 12, Kincardine, Ontario and legally described as LT F CON 13 Bruce; Kincardine, being PIN 33277-0054 LT ("**1632 Conc 12**") in an amount equal to $800,000.00 and 137 Elgin Street, Unit 202, Port Elgin, Ontario and legally described as Unit 2, Level 2 Bruce Standard Condominium Plan No. 34 and its appurtenant interest; Town of Saugeen Shores, being PIN 33834-0002 LT ("**202-137 Elgin**") in an amount equal to $300,000.00;

(b) the Loan amount shall be increased from $8,413,001.00 to $8,575,467.00 with the increase being applicable to Facility 3 and increasing Facility 3 from $605,728.00 to $768,194.00;

(c) an additional commitment fee of $3,250.00 associated with the increased Loan amount on account of the cost overrun and shall be funded under Facility 3; and

(d) amendments related to the ranking of security and discharge of security against 1632 Conc 12 and 202-137 Elgin were also included.

Attached as **Exhibit "30"** is a true copy of the Fifth Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor as well as Kimberley personally accepting the terms and conditions on April 4, 2023.

V. CHARGES REGISTERED ON 1632 CONC 12 AND 202-137 ELGIN

Charge/Mortgage

31. A second Charge/Mortgage in the principal amount of $800,000.00 was registered on May 18, 2023 as Instrument No. BR194348 against 1632 Conc 12 in favour of Morrison ("the **1632 Conc 12 Charge**"). Attached as **Exhibit "31"** is a true copy of the Acknowledgement and Direction dated May 4, 2023 authorizing the electronic registration of the Charge/Mortgage signed by Andrew personally, and Kimberley as Guarantor and as consenting spouse. Attached as **Exhibit "32"** is a true copy of the registered 1632 Conc 12 Charge.

32. Attached as **Exhibit "33"** is a true copy of the parcel register for the 1632 Conc 12 with a currency date of February 19, 2025.

33. A second Charge/Mortgage in the principal amount of $300,000.00 was registered on May 18, 2023 as Instrument No. BR194349 against 202-137 Elgin in favour of Morrison ("the **202-137 Elgin Charge**"). Attached as **Exhibit "34"** is a true copy of the Acknowledgement and Direction dated May 4, 2023 authorizing the electronic registration of the Charge/Mortgage signed by Andrew personally and

Kimberley personally. Attached as **Exhibit "35"** is a true copy of the registered 202-137 Elgin Charge.

34. Attached as **Exhibit "36"** is a true copy of the parcel register for the 202-137 Elgin with a currency date of February 19, 2025.

35. Andrew and Kimberley signed an Acknowledgement with respect to receipt of the Standard Charge Terms. Attached as **Exhibit "37"** is a true copy of the Acknowledgement dated May 4, 2023.

Security

36. The personal property security of Morrison was re-registered against 181 on April 21, 2023 under File No. 792570753 and Registration No. 20230421 1022 1901 0073. Attached as **Exhibit "38"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated May 4, 2023 in which Andrew on behalf of 181 acknowledged receiving a copy of the financing statement registered in favour of Morrison.

The Guarantee

37. Kimberley provided a personal guarantee in favour of Morrison dated May 4, 2023 for all present and future debts, liabilities and obligations together with interest, plus costs and expenses in respect of all indebtedness, liabilities and obligations of 181 (the "**Guarantee**"). Attached as **Exhibit "39"** is a true copy of the Guarantee and Postponement of Claims.

38. The personal property security of Morrison was perfected on April 21, 2023 by registration against Andrew and Kimberley as related to Andrew and Kimberley's personal property in the provincial registry maintained under the PPSA under File No. 792571005 and Registration No. 20230421 1032 1901 0075. Attached previously as **Exhibit "38"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated May 4, 2023 in which Andrew and Kimberley both acknowledged receiving a copy of the financing statement registered in favour of Morrison.

Independent Legal Advice Provided to Kimberley

39. Prior to executing the above documentation, Kimberley received independent legal advice from Judy Maria Rich with respect to the mortgage on the Property and being added as a co-borrower and guarantor to the Loan in favour of Morrison and in support of the additional security being provided against 1632 Conc 12 and 202-137 Elgin. Attached as **Exhibit "40"** is a true copy of the Certificate of Independent Legal Advice dated May 1, 2023.

VI. CHANGE IN BUSINESS PLAN OF 181

40. In June 2023, 181 advised Morrison that it had changed its Business Plan with the intention to alter and/or upgrade parts of the commercial building to prepare it for use in support of a shared use office space business to be sold to a separate legal entity owned by Andrew. As a result of this change in Business Plan and complications arising from the COVID-19 pandemic, 181 informed Morrison of a budget increase representing a cost overrun of approximately $1,470,000.00 to be

funded by 181. Despite this change in Business Plan being neither presented nor approved, Morrison agreed to an increase in the Loan amount of $190,454.00 to cover the current component of the cost overrun.

41. The Commitment Letter was amended by letter agreement dated June 26, 2023 ("**Sixth Amendment Letter**") as follows:

(a) Loan amount shall be increased from $8,575,467.00 to $8,765,921.00 with the increase being applicable to Facility 3 and increasing Facility 3 from $768,194.00 to $958,648.00; and

(b) an additional commitment fee of $3,734.00 associated with the increased Loan amount on account of the cost overrun and shall be funded under Facility 3.

Attached as **Exhibit "41"** is a true copy of the Sixth Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor and Kimberley accepting the terms and conditions on July 3, 2023.

42. 181 submitted an updated Project budget on August 2, 2023. 181 continued to develop its strategy and provide Business Plan updates to Morrison on an ongoing basis. Despite 181's current Business Plan which resulted in cost overruns which are events of default under the Loan, Morrison was prepared to amend the Commitment Letter further by letter agreement dated August 11, 2023 ("**Seventh Amendment Letter**") as follows:

(a) on August 1, 2023, the balances outstanding under the current Facilities 1, 2, 3 and 4 of the Loan shall all be consolidated into Facility 1, its balance shall equal $4,608,831.10 and Facilities 2, 3 and 4 shall be extinguished. To accommodate the increased budget, the total Loan amount maximum shall be increased from $8,765,921.00 to $10,187,447.00;

(b) commencing August 1, 2023, the interest rate applicable to Facility 1 shall be floating at the greater of 14.00% per annum and the Royal Bank of Canada Prime Rate of Interest as set by Royal Bank of Canada from time to time plus 6.80% per annum, interest only, calculated daily, compounded and due monthly;

(c) an additional commitment fee of $6,302.10 associated with the increased Loan amount shall be advanced under Facility 1;

(d) the current Charge registered against the Property shall be amended to increase the security registration from $9,541,546.25 to $12,000,000.00; and

(e) additional amendments to the Interest Reserve and Partial Discharges were also included.

Attached as **Exhibit "42"** is a true copy of the Seventh Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor and Kimberley accepting the terms and conditions on August 11, 2023.

VII. AMENDMENT TO CHARGE

43. In order to facilitate the amendment of the Charge registered against the Property, the following documents were signed:

(a) an Assignment of Insurance in respect of insurance policies together with all proceeds and other amounts payable in respect of the policies. Attached as **Exhibit "43"** is a true copy of the Assignment of Insurance dated September 22, 2023 signed by Andrew on behalf of 181; and

(b) a Deficiency and Cost Overrun Agreement in respect of a budget shortfall amount to complete the construction of the project. Attached collectively as **Exhibit "44"** is a true copy of the Deficiency and Cost Overrun Agreements signed by Andrew on behalf of 181 and personally as Guarantor and Kimberley.

44. The PPSA registration was amended against 181 on September 7, 2023 when the Loan amount was increased to $12,000,000.00 under File No. 792570753 and Registration No. 20230907 1645 5064 8022. Attached as **Exhibit "45"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated September 22, 2023 in which Andrew on behalf of 181 acknowledged receiving a copy of the financing statement registered in favour of Morrison.

45. The PPSA registration was amended against Andrew and Kimberley on September 11, 2023 when the Loan amount was increased to $12,000,000.00

under File No. 792571005 and Registration No. 20230911 1118 5064 8092. Attached previously as **Exhibit "45"** is a true copy of an Acknowledgement of Receipt of a Registered Copy of Financing Statement dated September 22, 2023 in which Andrew and Kimberley acknowledged receiving a copy of the financing statement registered in favour of Morrison.

46. Attached as **Exhibit "46"** is a true copy of the search of the personal property security registry of 181 current to March 17, 2025.

47. Attached as **Exhibit "47"** is a true copy of the search of the personal property security registry of Andrew current to March 17, 2025.

48. Attached as **Exhibit "48"** is a true copy of the search of the personal property security registry of Kimberley current to March 17, 2025.

Amended Charge/Mortgage and Assignment of Rents

49. The parties entered into an Agreement dated August 1, 2023 formally amending the provisions of the Charge. This Agreement was registered as a Notice on title to the Property on October 13, 2023 as Instrument No. BR198964 ("the **Amended Charge Notice**"). Attached collectively as **Exhibit "49"** are true copies of the Acknowledgement and Direction signed by Andrew on behalf of 181 and personally as Guarantor on September 22, 2023 and by Kimberley on September 25, 2023 authorizing the electronic registration of the Notice. Attached as **Exhibit "50"** is a true copy of the registered Amended Charge Notice.

50. A Notice of Assignment of Rents was registered on October 13, 2023 as Instrument No. BR198965 against the Property in favour of Morrison ("the **Amended Assignment of Rents**"). Attached as **Exhibit "51"** is a true copy of the Acknowledgement and Direction dated September 22, 2023 authorizing the electronic registration of the Notice of Assignment of Rents signed by Andrew on behalf of 181. Attached as **Exhibit "52"** is a true copy of the registered Amended Assignment of Rents.

51. Andrew on behalf of 181 and personally as Guarantor and Kimberley as Guarantor signed an Authorization allowing the law firm of Ruderman Shaw or Tina Blair to insert certain dates and registration numbers which were left blank in certain security documents and related documents as appropriate. Attached collectively as **Exhibit "53"** is a true copy of the Authorization signed by Andrew and the Authorization signed by Kimberley on September 27, 2023.

52. Andrew on behalf of 181 and personally as Guarantor and Kimberley signed a Non-Merger Acknowledgement in respect of the registered Charge, the Loan Documents and the Loan Agreement. Attached collectively as **Exhibit "54"** is a true copy of the Non-Merger Acknowledgement signed by Andrew on September 22, 2023 and the Non-Merger Acknowledgement signed by Kimberley on September 25, 2023.

Priority of Morrison Amended Charge/Mortgage and PPSA Registrations

53. Intact again agreed to postpone its charge/mortgage in favour of Morrison's Amended Charge Notice and Morrison's Amended Assignment of Rents. Attached

as **Exhibit "55"** is a true copy of the Postponement of Interest registered as Instrument No. BR198966 on October 13, 2023.

54. Intact and Morrison entered into a further Priority Agreement dated October 13, 2023 in respect of the priority of the respective mortgages and PPSA registrations in which Intact will at all times postpone and rank subordinate to Morrison, expect for the deposit monies received from purchasers of dwelling units in the Project held in a designated trust account. Attached as **Exhibit "56"** is a true copy of the Priority Agreement.

VIII. EXPIRY OF LOAN TERM

55. The Loan term expired on December 1, 2023 at which time 181 was required to pay the full amount outstanding. Due to the Project not being completed, 181 requested that the term be extended. Morrison agreed to amend the Commitment Letter by letter agreement dated December 12, 2023 ("**Eighth Amendment Letter**") with respect to the following:

(a) advances under the Loan will be paused, with the exception of Draw 13, during which time 181 will work to obtain proceeds from conveyance of commercial unit presale of the Project. 181 represents that the occupancy of the commercial building will begin towards the end of January 2024 with closings expected to commence March 2024. Upon Morrison being satisfied with certain thresholds as set out in the Eighth Amendment Letter, it will consider resuming Loan advances in support of the Project;

(b) the term of Facility 1 shall be extended by twelve (12) months and the end of term date shall be amended from December 1, 2023 to December 1, 2024;

(c) an extension fee of $110,412.00 shall be advanced under Facility 1 and bear interest from December 1, 2023; and

(d) the Loan amount shall be increased from $10,187,447.00 to $11,041,204.00.

Attached as **Exhibit "57"** is a true copy of the Eighth Amendment Letter signed by Andrew on behalf of 181 and personally as Covenantor and Kimberley personally accepting the terms and conditions on December 19, 2023.

56. One of the conditions of the Eighth Amendment Letter was for 181 to provide an updated cost to complete the Project provided by a new cost consultant confirming the ongoing viability of the residential component of the Business Plan. It is my understanding that 181's cost consultant (Abacus Construction Consulting Inc.) had resigned due to disagreements with Andrew and changes to 181's budget.

IX. SALE OF 1632 CONC 12

57. On May 2, 2024, Andrew and Kimberley closed the sale of their residence located at 1632 Conc 12 at which time the 1632 Conc 12 Charge in favour of Morrison was discharged. Morrison received the sum of $169,852.44 of which $500.00 was for the discharge fee and the balance of $169,352.44 was applied to the principal

owing under the Loan. Attached as **Exhibit "58"** is a copy of the incoming wire transfer received from Morrison's lawyer Hugh Shaw on May 3, 2024.

X. CORRESPONDENCE WITH 181/ANDREW

58. On February 8, 2024, Andrew emailed Graham Banks (Senior Vice President of Morrison), Matthew Solda (Vice President of Morrison) and myself seeking a further draw on the Loan. Mr. Banks responded to Andrew the same day to indicate that due to incorrect and misleading information received directly from Andrew, Morrison would consider financing only those items which form part of the critical path to completing the commercial space and generating revenue from its sale. If Morrison agreed to do so, it would likely make payments directly to suppliers. Morrison also requested a number of items to be considered by its credit committee as follows:

1. A list and copy of all reports and other information which are required by the City or other government entities prior to their issuance of occupancy certificates.
2. A copy of the contract with Stubbe's Precast Inc. along with a narrative as to where the contract currently stands.
3. Updated site photos showing work in place and to complete prior to closing commercial sales.
4. A photograph of the sign ordered from Cora Computers Inc. and a description of its intended use.
5. Details of your objectives for the event planned for February 20 along with a list of who you anticipate will be attending. We are eager to substantiate your claims that there is significant market demand for your end product. If our attendance at this gathering will lend credence to your assertions that sale revenues are forthcoming promptly, then we will welcome an invitation to attend.

59. On February 12, 2024, Andrew provided me with the following by email:

(a) Stubbe's quotation dated October 23, 2020, proposed change order dated January 13, 2021 and statement of values dated November 20, 2023;

(b) A spreadsheet of income and expenses for the digital sign;

(c) A spreadsheet of current payables and draw 14 breakdown as of February 12, 2024; and

(d) A budget summary spreadsheet for 2024.

Attached as **Exhibit "59"** is a true copy of the February 8, 2024 and February 12, 2024 email exchange.

60. Morrison began paying all suppliers directly since March 2024.

61. 181 failed to provide an updated cost to complete the Project provided by a new cost consultant confirming the ongoing viability of the residential component of the Business Plan.

62. On March 14, 2024, Robyn Player (**"Robyn"**) of BTY Global, a new cost consultant engaged on behalf of 181 advised there was "an overage of $1,679,618 which will be required to be injected with additional equity. Based on the equity requirement and costs incurred to date, you are $1,310,344 away from being within a draw position (provided the equity is injected)".

63. On July 22, 2024, Andrew replied to Robyn indicating:

> [F]irst off, my apologies for the long delayed communication. The Powerlink project has been proceeding at a much slower pace than we would have liked but the commercial portion of the build is now complete. We have struggled to make an economic case for the residential build but believe we have found a solution which involves expanding the 12-suite design to 18 suites by inserting an additional floor. We had proposed this to the Municipality originally but scaled back to 12 suites when we had some local objections. We have a site plan approval for the 18 suites and have the Architectural almost complete. We are reviewing the mechanical and electrical and calling

> for revised quotes. We will need BTY to review the revised budget which will be a standalone review for the residential component of the build. Many items as already reviewed by you will remain relatively unchanged. I would appreciate you reactivating the file and standing by for the updated figures so we can satisfy the request from the lender for an updated cost consultant review of the budget. In addition we would look to you to assist in the preparation of a cash flow analysis.

64. Robyn responded that she would standby for the information and prepare an update to the report. Attached as **Exhibit "60"** is a true copy of the March 14, 2024 to July 22, 2024 email exchange.

65. After July 22, 2024, we are not aware of any additional communication. Additionally, Morrison requires a report from the cost consultant for every draw/advance. Since the commercial building was close to completion when the previous cost consultant resigned, Andrew stated that he could not find a new cost consultant to take over the draw reports for the commercial portion but draw reports would be forthcoming when the residential building began. This did not occur nor was an updated budget provided by a cost consultant.

66. On August 6, 2024, Andrew emailed Mr. Banks seeking approval for ordering the "icf block" (insulated concrete forms) to complete the next level. Mr. Banks responded that, "we do not have credit in place to proceed past the installation of steel in parking garage and its capping precast concrete as previously agreed". Andrew and Mr. Banks continued to exchange emails and Mr. Banks indicated that the Project should be paused to allow for the residential plan revision to 18 units to be incorporated into the Business Plan. Attached as **Exhibit "61"** is a true copy of the August 6, 2024 email exchange.

67. On November 23, 2024, Andrew provided a spreadsheet with respect to the costs to construct for the residential budget. On November 25, 2024, I requested Andrew provide the rationale for his hard cost numbers as they related to the residential building. Andrew did not provide his rationale, but did respond to my email. Attached as **Exhibit "62"** is a true copy of the November 23-26, 2024 email exchange.

68. On December 10, 2024, Mr. Banks emailed Andrew with respect to the anticipated closing sales of the pre-sold commercial units and the partial discharges. He also indicated to Andrew that the Loan is in default because 181 is not following the Business Plan as laid out in the Loan Agreement. Mr. Banks set out a number of conditions for the partial discharges and suggested a third party expert to devise a plan to move the Project forward. Andrew was not receptive. Attached as **Exhibit "63"** is a true copy of the December 10-13, 2024 email exchange.

69. On January 24, 2025, Andrew emailed David Morrison (CEO of Morrison), Mr. Banks, Alenna Emer (CFO of Morrison) and myself advising that he had architectural drawings for the 12 new residential suites; however, he did not intend to move any further with the redevelopment of the residential portion of the building until a mutually acceptable agreement was reached. Attached as **Exhibit "64"** is a true copy of the January 24, 2025 email.

70. On January 30, 2025, Andrew emailed Mr. Morrison and indicated that a buyer had requested a release of their deposit due to the extended delays. Andrew advised that 181 had insufficient funds in trust to return the deposit. Andrew and

Mr. Morrison exchanged further emails regarding sales and marketing of the commercial units and the residential suites. In the January 30, 2025 email sent at 8:34 a.m., Mr. Morrison indicated to Andrew that Morrison "intend[s] to commence action under our mortgage enforcement remedies and put in place a receiver". Attached as **Exhibit "65"** is a true copy of the January 30, 2025 to February 5, 2025 email exchange.

71. On February 10, 2025, Morrison provided funds direct to 181's insurance broker to pay the premiums to maintain the insurance policy(s) in place.

72. Between February 20, 2025 and February 23, 2025 Andrew and Mr. Morrison exchanged emails with respect to the market for commercial and residential units. Attached as **Exhibit "66"** is a true copy of the February 20, 2025 to February 23, 2025 email exchange.

XI. DEFAULTS, DEMANDS, AND NOTICE OF INTENTION TO ENFORCE

73. Following the execution of the Second Amendment Letter, Third Amendment Letter, Fourth Amendment Letter, Fifth Amendment Letter, Sixth Amendment Letter, Seventh Amendment Letter, and Eighth Amendment Letter (collectively, the "**Amendment Letters**"), numerous events of default under the Loan have occurred.

74. 181 and Kimberley's defaults are existing and continuing, including, but not limited to the defaults described below:

(a) 181 and Kimberley have failed to make prompt payment of the amounts due under Facility 1;

(b) 181 and Kimberley failed to repay the Charge in accordance with the provisions of the Eighth Letter of Amendment;

(c) 181 has incurred cost overruns in relation to the Project;

(d) 181 is not following the Business Plan as laid out in the Loan Agreement;

(e) 181 has provided incorrect and misleading information to Morrison; and

(f) 181 has failed to provide an updated cost to complete the Project provided by a new cost consultant confirming the ongoing viability of the residential component of the Business Plan.

75. On March 4, 2025, Gowling WLG (Canada) LLP (**"Gowlings"**) acting on behalf of Morrison, issued the following to 181 and Kimberley (as borrowers) and Andrew and Kimberley as the Guarantors:

(a) A demand for payment (the "**Demand Letter**") of the total indebtedness owing as of February 27, 2025 plus interest and legal costs to Morrison as set out in Schedule "B" to the Demand Letter by the deadline of March 15, 2025; and

(b) a Notice of Intention to Enforce Security on the property of 181 pursuant to section 244(1) of the BIA (the **"BIA 244 Notice"**).

Attached as **Exhibit "67"** is a true copy of the Demand Letter and BIA 244 Notice along with covering email and Canada Post registered mail delivery confirmations.

XII. NEED FOR A RECEIVER

76. As of February 27, 2025, the aggregate indebtedness of 181 and Kimberley due and owing to Morrison under the Loan was $7,621,723.65 in addition to ongoing accrual of interest at the rates specified for Facility 1 excluding additional legal fees, disbursements and HST (the "**Indebtedness**").

77. Neither 181 nor Kimberley are able to pay the Indebtedness owing.

78. The statutory notice periods provided for under the Demand Letter and BIA 244 Notice have all expired.

79. Morrison has lost confidence in the management of 181 for all of the reasons detailed in this affidavit.

80. 181 has no ability to fund ongoing construction of the Project and this is eroding the value of Morrison's security position due to the accrual of the Indebtedness without meaningful repayment of the Loan.

81. Morrison has suffered and is expected to continue to suffer substantial prejudice as a result of 181's failure to properly advance the Project. The appointment of the Receiver is necessary to preserve the value of the Project and Morrison's collateral.

82. Upon appointment, the Receiver will assess the state of the Project and determine a strategy for recovery for the benefit of all stakeholders, including communicating directly with all affected parties.

83. The Loan Agreement at paragraph 10 of Schedule A states:

> **10. Events of Default:** Notwithstanding the terms set out herein, forthwith upon the occurrence of any of the following events the full amount due and owing to the Lender, whether as advances, fees interest, costs or otherwise, shall be accelerated and become immediately due and payable in full:
>
> (a) The Borrower, after seven (7) days' written notice, continues to be in default in payment of any amount due from time to time or of any fee or other sum due;
>
> (b) The discovery by the Lender that the Borrower, or anyone acting on its behalf, has made a material false representation upon which the Lender actually relied or was reasonably entitled to rely in granting or continuing this facility;
>
> (c) Any default by the Borrower in the observance or performance of any of the other covenants or agreements on its part to be observed or performed hereunder, and the failure to cure such default within fifteen (15) days after written notice thereof is given by the Lender;
>
> (d) The Borrower or any Guarantor shall fail to perform or observe any covenant, condition, or provision to be performed or observed by either of them under the terms of this facility, the security, or any other agreement in writing, after receipt of fifteen (15) days' notice;
>
> (e) Any insurance policies to be provided by the Borrower pursuant hereto shall be or become cancelled or invalidated or altered below stated requirements for any reason before such policy is replaced with another which complies with the provisions hereof;
>
> (f) The Borrower shall fail to maintain reasonable currency with respect to government priority payables;
>
> (g) The Borrower or any Covenantor(s).
>
> (i) Shall suspend or discontinue its business;
>
> (ii) Shall become insolvent (however such insolvency may be evidenced), bankrupt, or commit an act of bankruptcy;
>
> (iii) Shall make an assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts as they mature, or if bankruptcy, reorganization, arrangement, insolvency, or similar proceedings for relief of financially distressed debtors shall be instituted against them;
>
> (iv) Shall petition for or there shall be appointed for them, or for a substantial part of their assets, a trustee, receiver, or liquidator; or
>
> (v) Shall take any action for the purpose of effecting any of the foregoing.

84. Paragraph 9 of the GSA allows for the appointment of the Receiver:

> 9. If, pursuant to paragraph 6 hereof, the Secured Party declares that the Obligations secured by this Agreement shall immediately become due and payable in full, the Secured Party may (in addition to any other rights or remedies provided by statute or other law or provided by this Agreement) take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term shall include a receiver and manager) of the Collateral or of any part thereof or may by instrument in writing appoint any person to be a receiver of the Collateral or of any part thereof and may remove any receiver so appointed by the Secured Party and appoint another in his stead; and any such receiver appointed by instrument in writing shall have power
>
> (a) to take possession of the Collateral or any part thereof,
>
> (b) to carry on the business of the Debtor,
>
> (c) to borrow money required for the maintenance, preservation, or protection of the Collateral or any part thereof or for the carrying on of the business of the Debtor, and
>
> (d) to sell, lease, or otherwise dispose of the whole or any part of the Collateral at public auction, by public tender, or by private sale, either for cash or upon credit, at such time and upon such terms and conditions as the receiver may determine; provided that any such receiver shall be deemed the agent of the Debtor and the Secured Party shall not be in any way responsible for any misconduct or negligence of any such receiver.

85. If this Honourable Court sees fits to make such an appointment, Spergel has consented to act as Receiver. Spergel is a licensed insolvency trustee and has significant experience in mandates of this nature. Attached as **Exhibit "68"** is a true copy of Spergel's consent to act.

AFFIRMED by Fahad Warsi, of the City of Toronto, in the Province of Ontario, before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

A Commissioner, etc.
Yuan Li (LSO No. 210049)

DocuSigned by:
Fahad Warsi
D97A703CFD6F450...

FAHAD WARSI

This is **Exhibit "1"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Ontario

Ministry of Public and
Business Service Delivery

Profile Report

1817955 ONTARIO LTD. as of February 19, 2025

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1817955 ONTARIO LTD.
Ontario Corporation Number (OCN)	1817955
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	June 29, 2010
Registered or Head Office Address	1632 Concession Rd 12, Kincardine, Ontario, N0H 2C5, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Minimum Number of Directors	1
Maximum Number of Directors	10

Active Director(s)

Name	ANDREW HILL
Address for Service	1632 Concession Rd 12, Kincardine, Ontario, N0H 2C5, Canada
Resident Canadian	Yes
Date Began	June 29, 2010

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Active Officer(s)

Name	ANDREW HILL
Position	President
Address for Service	1632 Concession Rd 12, Kincardine, Ontario, N0H 2C5, Canada
Date Began	June 29, 2010

Name	KIMBERLEY HILL
Position	Secretary
Address for Service	1632 Concession Rd 12, Kincardine, Ontario, N0H 2C5, Canada
Date Began	August 02, 2022

Name	KIMBERLEY HILL
Position	Treasurer
Address for Service	1632 Concession Rd 12, Kincardine, Ontario, N0H 2C5, Canada
Date Began	August 02, 2022

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Corporate Name History

Name	1817955 ONTARIO LTD.
Effective Date	June 29, 2010

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Director/Registrar

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Active Business Names

Name	HILL BUILD
Business Identification Number (BIN)	1000853276
Registration Date	April 04, 2024
Expiry Date	April 03, 2029

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V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

Name	HILL BUILD
Business Identification Number (BIN)	280814559
Status	Inactive - Expired
Registration Date	July 27, 2018
Expired Date	July 26, 2023

Name	ANDREW HILL GENERAL CONTRACTOR
Business Identification Number (BIN)	200722999
Status	Inactive - Expired
Registration Date	July 02, 2010
Expired Date	June 30, 2020

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Andrew HILL	August 03, 2022
Annual Return - 2022 PAF: Andrew HILL	August 02, 2022
Annual Return - 2021 PAF: Andrew HILL	August 02, 2022
Annual Return - 2010 PAF: Andrew HILL	August 02, 2022
Annual Return - 2020 PAF: ANDREW HILL - DIRECTOR	September 27, 2020
Annual Return - 2019 PAF: ANDREW HILL - DIRECTOR	September 22, 2019
Annual Return - 2018 PAF: ANDREW HILL - DIRECTOR	September 30, 2018
Annual Return - 2017 PAF: ANDREW HILL - DIRECTOR	November 05, 2017
Annual Return - 2016 PAF: ANDREW HILL - DIRECTOR	December 04, 2016
Annual Return - 2015 PAF: ANDREW HILL - DIRECTOR	November 22, 2015
CIA - Initial Return PAF: JOHN D. KING - OTHER	October 19, 2015
Annual Return - 2014 PAF: ANDREW HILL - DIRECTOR	October 04, 2014
Annual Return - 2013 PAF: ANDREW HILL - DIRECTOR	October 05, 2013

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
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Director/Registrar
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Annual Return - 2012 PAF: ANDREW HILL - DIRECTOR	October 23, 2012
Annual Return - 2011 PAF: ANDREW HILL - DIRECTOR	December 24, 2011
CIA - Initial Return PAF: GARY GRASSE - OTHER	November 10, 2010
BCA - Articles of Incorporation	June 29, 2010

All “PAF” (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.
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Director/Registrar
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This is **Exhibit "2"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

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Morrison Financial

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Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

Writer's Extension: 117
Writer's Email: msolda@morrisonfinancial.com

October 26, 2021

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON
L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd. for the construction of 1020 Goderich Street, Town of Port Elgin ON

This letter replaces the commitment letter dated September 29, 2021, between Morrison Financial Mortgage Corporation and the Borrower which has expired and thus is null and void.

Morrison Financial Mortgage Corporation ("the Lender") is pleased to offer to the undersigned Borrower(s) a commitment to provide a first mortgage loan ("the Loan") upon the security and subject to the following terms and conditions:

1. **BORROWER**: 1817955 Ontario Ltd. ("the Borrower").

2. **COVENATORS**: Andrew Hill ("the Covenantors"). It is intended that the Covenantors shall be guarantors and joint covenantors, liable as principals for repayment of the debt, and not merely as surety.

3. **SECURED PROPERTY**: Those lands and premises known municipally as 1020 Goderich Street, Town of Port Elgin and described legally as Pt Park Lot 18 Plan 111; Town of Saugeen Shores – PIN 332680819, and such other properties that are or will become part of the project, and such description(s) to be subject to confirmation by counsel ("the Property").

4. **PURPOSE**: The project (hereinafter described as "the Project") that is the subject of this financing includes the demolition of an existing structure on the subject site and subsequent construction of a mixed-use condominium building. The mixed-use condominium plan is a proposed 3-storey commercial office space and 4-storey 12-unit residential condominium complimented by underground parking and surface level parking. The residential space will

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include one elevator and the commercial space will include one elevator. The purpose of the Loan will be to provide for hard and soft construction costs on a cost-to-complete basis, all in accordance with the budgets, cash flow presentation, plans, site plan specifications and other information supplied or to be supplied by the Borrower (collectively, the "Business Plan").

The Lender understands that both the commercial and residential aspects of the Project will be completed concurrently.

This Commitment is based upon the following Source and Use of Funds and Revenue statements which forms the basis of the Business Plan provided by the Borrower:

Sources of Funds	**$**
Borrower Equity	$1,643,572
Purchaser Deposits	$950,066
Deferred Costs	$157,770
Facility 1: MFMC Loan	$7,313,179
Facility 2: MFMC Mezz. Loan	$320,058
Total Sources	**$10,384,645**

Uses of Funds	**$**
Total Land Costs	$550,000
Total Site Servicing Costs	$417,798
Total Soft Costs	$1,134,252
Total Hard costs	$6,703,676
Total Financing Costs	$1,263,379
Sales Commission	$315,540
Offsetting Income	$0
Total Uses	**$10,384,645**

Revenue Plan	**$**
Commercial - 1st Floor (HST Excluded)	$1,764,070
Commercial - 2nd Floor (HST Excluded)	$1,921,310
Commercial - 3rd Floor (HST Excluded)	$2,421,000
Residential	$5,763,000
HST on Residential Only	$(405,749)
Parking (HST Excluded)	$180,000**
Storage Lockers (HST Excluded)	$403,390**
Total Net Revenue	**$12,047,021**

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The Borrower asserts that it has assembled a competent team to develop and deliver this project, including legal implementation, marketing, project design, architecture, cost consulting, construction management, and accounting disciplines. An ongoing condition of the Loan is that the Borrower will engage and empower competent professionals for the entire duration of the Project as required to see through to its successful completion. A demonstrable failure to do so, that remains un-remedied after ten (10) days written notice from the Lender, shall be an event of default.

5. PARTICULARS OF THE LOAN

Loan Amount: The Loan shall be for an amount up to a maximum of **$7,633,237**. This amount has been determined in accordance with the Business Plan and remains subject to adjustment from time to time. Initially, as the result of our review during the pre-funding, due diligence stage, and thereafter in accordance with actual financial performance as the Business Plan is being executed.

The Lender understands that the Borrower will arrange for letters of credit (LCs) from their own resources, if applicable. If the Borrower requires LCs to be arranged by the Lender, then the Lender will consider providing a suitable financing facility as part of a new Facility.

Our goal throughout the project will be to ensure the Loan to Liquidation Value (LTLV) shall not exceed seventy Percent (70%), calculated according to the formula defined below, where all amounts shall be net of HST. Letters of credit amounts, if applicable, are not included in the LTLV calculation.

$$\text{LTLV} = \frac{\text{LA}+\text{CTC}}{\text{U}-\text{D}}$$

Where:

LA = Amounts outstanding under the Loan, not including LC amounts
CTC = Cost to complete plus the accumulated net holdback retained in accordance with the Construction Act, R.S.O. 1990, c. C.30 (“the Construction Act”) and other priority payables
U = Value of units owned by the Borrower and in the Project,
D = Deposits used in the Project and deferred costs.

Financial and Administrative Terms:

a. Interest Rate:

i. *Facility 1:* Floating at a greater of nine percent (9%) per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest (the “Prime Rate”) as adjusted from time to time plus six and fifty-five one-hundredths of one percent (6.55%) per annum, interest only, calculated daily, compounded and due monthly.

ii. *Facility 2:* Floating at a greater of ten percent (10%) per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest (the “Prime Rate”) as adjusted from time to time plus seven and fifty-five one-hundredths of one percent (7.55%) per annum, interest only, calculated daily, compounded and due monthly.

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b. *Term*:

   i. *Facility 1:* Twenty-Four (24) months from the Interest Adjustment Date.

   ii. *Facility 2:* Twelve (12) months from the Interest Adjustment Date.

c. *Amortization*: Not applicable, interest only.

d. *Interest Adjustment Date*: The first day of the month immediately following the month in which the first advance is made.

e. *Interest Payments*: Interest shall be due and payable monthly, not in advance, on the first day of each and every month during the term. It shall be calculated daily and compounded monthly on each payment date on the total of the principal balance plus accrued interest outstanding on the payment date. Interest shall be calculated and payable as set out herein until the Loan is repaid in full.

f. *Interest Reserve*: $679,742 on account of Facility 1 and $30,262 on account of Facility 2. The amount is based on estimates in the Business Plan provided by the Borrower of what will be required to cover the accrued interest due on each payment date and interest expected to accrue prior to completion and repayment of the Loan. Interest shall accrue monthly and be added to the principal balance with interest accruing on all such amounts in accordance with the Business Plan. The Lender, in its sole discretion, reserves the right to stop advancing from the interest reserve, and require the Borrower to commence making monthly payments where it appears that the reserve may be insufficient to cover interest costs until completion and repayment of the Loan in full.

g. *Prepayment Privilege*: None. This mortgage is closed, subject to Section 5 h.

h. *Partial Discharges*: It is anticipated that repayment of the Loan will be made from the sale of completed units in the Project. All net closing proceeds from such sales shall be directed to the Lender whom, upon receipt, shall reduce the balance of the Loan accordingly. The Lender will then provide a partial discharge in order to facilitate completion of the sale. "Net closing proceeds" means the sale price less purchaser deposits received by the Lender or utilized in execution of the Project, approved legal fees, property tax, net of Harmonized Sales Tax. Deferred sales commissions will be paid by the Borrower after repayment of the Loan. 100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 2*, secondly to repay Facility 1 and thirdly, to cash secure any outstanding letters of credit, if applicable.

   *Note: The Borrower shall repay the mezzanine facility (Facility 2) from its own resources, in payments of $30,000 or greater, prior to the second advance and each subsequent advance of the Loan. This Facility 2 shall be completely repaid by the Borrower prior to its end of Term through such prepayments.

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i. *Letters of Credit*: The Borrower acknowledges and confirms that the any Letter of Credit, required by the Town of Port Elgin, will be financed by the Borrower from its own resources and is not included in the Business Plan.

j. *Purchaser Upgrades:* Any agreement for the provision of upgrades within a purchase and sale agreement or amendment thereto shall be accompanied by a deposit from the purchaser in the amount of not less than 50% of the sale price of such upgrade. The Lender will provide for financing of purchaser upgrades pursuant to Facility 1 provided that such upgrades are approved by the Lender, included in the Business Plan, accretive to the Project and each purchaser is able to demonstrate his or her ability to pay for such upgrades. All revenue from purchaser upgrades, including deposits, shall be submitted to the Lender on account of Facility 1.

6. **COMMITMENT FEE**: The Borrower and Covenantors acknowledge and agree that forthwith upon acceptance of this Commitment, the Lender shall be deemed to have earned its non-refundable commitment fee (the "Commitment Fee") in the amount of **$203,026.** This amount represents compensation to the Lender for its efforts and expenditures by its officers, agents and employees in the review and study of documentation pertaining to this transaction, review of appraisals, credit reports, financial statements and other data and physical inspections of the subject matter of the Security Documents. The Commitment Fee is in addition to the Borrower's obligation to pay all legal costs of this transaction as may be charged by the Lender's solicitors. The Borrower and Covenantors further acknowledge and agree that the Commitment Fee shall represent compensation to the Lender only in respect of the original term of the Loan stipulated herein. Any extension or renewal of the Loan if required for any period beyond such original term shall be subject to such additional fees as may be agreed between the Borrower and the Lender.

   The Lender acknowledges receipt of $40,000.00 on account of the commitment letter dated January 8, 2020 and will apply this amount as a credit towards the Commitment Fee now due on account of this Commitment Letter. The balance of the Commitment Fee shall be payable at the time of the initial advance of funds, shall be advanced under Facility 1, withheld by the Lender as payment, and such advance shall bear interest from that date.

7. **BROKERAGE FEE**: 2.0% of the Loan amount or any amount agreed to by the Borrower and the Broker and accepted by the Lender to form a part of the Business Plan, to be stipulated in the letter of direction to be provided by the Borrower. This amount will be payable by the Lender on behalf of the Borrower and will be added to the Loan balance, as depicted in the Business Plan, at the time of first advance of the Loan.

8. **SECURITY**: As security for the Loan, the following documents, instruments, agreements and other assurances (collectively the "Security Documents") shall be delivered, all in form and substance satisfactory to the Lender and its solicitors, to the Lender prior to the first advance of funds:

   a. First freehold mortgage and charge of the Property for 125% of the Loan Amount;

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b. First general assignment of all leases, rents, income and profits arising from or in connection with the Property;

c. Security interest (by way of General Security Agreement or other instrument required by the Lender or its solicitors) having first priority over any and all personal property used in connection with or arising from or out of the Property. This includes, without limitation, all inventory of whatever kind and wherever situate, all equipment, machinery, apparatus, plant, furniture, fixtures and vehicles now or hereafter situate at or used in connection with the Property, all book debts and accounts now or hereafter due, owing or accruing from the Property, all books, records, financial statements and other documents of title, all contractual rights, insurance claims and goodwill and all income, monies, receipts and profits of any nature or kind whatsoever now or hereafter arising;

d. Unconditional and unlimited covenant, guarantee and assignment and postponement of claims from each Covenantor on a joint and several basis, as principal debtor and not merely as surety;

e. Assignment of Insurance Proceeds in accordance with the provisions set forth herein;

f. Assignment of the Borrower's rights and interest (but not the Borrower's obligations) in all municipal approvals and agreements and all construction and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property in connection with construction thereon of the Project;

g. Assignment of the Borrower's rights and interest (but not the Borrower's obligations) under all Agreements of Purchase and Sale whereby the Borrower or persons on its behalf have sold the property or any part thereof to *bona fide* arm's length purchasers thereof for value, executed true copies of such Agreements of Purchase and Sale shall be submitted to the Lender as set out above and shall be subject to the Lender's approval;

h. Cost overrun guarantee from the Borrower and the Covenantors;

i. Assignment of the Borrower's right, title and interest in the Letters of Credit or other security filed with all municipal authorities and agencies and any amounts on deposit with the Borrower's bank or other financial institution which provide security for the Letters of Credit. In this regard the Lender shall have a first priority security interest and the Borrower shall provide such further documentation that the Lender and its counsel require including an acknowledgment from the Borrower's bank that the Lender is entitled to delivery of these funds in accordance with the provisions herein and directions to all appropriate parties. In the event that the Loan has been repaid and the Lender has discharged its security in the Property, and a municipal authority returns to the Lender cash security relating to the Project, the Lender shall promptly forward such monies to the Borrower;

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j. Covenant from the Borrower and Covenantors not to withdraw equity from the Project until the Loan is repaid in full;

k. Specific assignment of the Borrower's interest in all leases or contracts to lease any portion of the Property including assignment of the leases;

l. Assignment of future condominium voting rights, if applicable;

m. Postponement of all shareholder loans;

n. Environmental indemnity of the Borrower and Covenantor; and

o. Such other documents, instruments, agreements, things or security required or contemplated by this Commitment or as counsel may advise is reasonable having regard to this type of transaction.

9. **PRECONDITIONS TO FUNDING**: At least 30 days prior to the initial advance of funds under the Loan, the Borrower shall, at its own expense, provide to the Lender and/or comply with the following:

a. *Appraisal:* A current appraisal of the Property, in form and content acceptable to the Lender, (not older than thirty (30) days) prepared by an appraiser approved by the Lender and who is an AACI member of the Appraisal Institute of Canada or other recognized association or institution of appraisers, as approved by the Lender, demonstrating *as-is* and *as-complete* values of the Property to be not less than $550,000 and $11,928,756 respectively or pre-sales in place will be accepted thereof provided that such pre-sales support the Revenue Plan as defined herein and in the Lender's sole discretion (residential inclusive of HST and all other product exclusive of HST).

The said appraisal shall be addressed to the Lender and such other person, if any, as the Lender may direct and be satisfactory to the Lender in form, content and scope in its sole and absolute discretion;

b. *Pre-Sale Threshold Requirements:* Confirmation that the Borrower has entered into binding agreements of purchase and sale to arm's length bona fide creditworthy purchasers, each one to a unique and individual person or entity, and each one demonstrating their ability to close respecting not less than sixty-eight percent (68%) of the revenues from the sale of condominium units (commercial units, residential units, covered parking spaces or storage lockers), resulting in an aggregate sale price of **$8,200,000** (including HST on residential units, net HST on all other units) and meeting the requirements of Sections 9.c and 9.d below. All pre-sales referenced for the purpose of this sub-clause shall be at prices not less than those specified in the appraisal and the Business Plan.

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c. *Residential Unit Pre-Sales:* Confirmation that deposits of not less than 10% percent of the aggregate sale price has been collected prior to first advance under the Loan and 15% of the aggregate sale price has been contracted to be received within one-hundred eighty (180) days of signing of the agreements of purchase and sale. In the case where a purchaser has a beneficial interest in more than one residential unit, then the Lender will permit such unit(s) to apply for the purposes of the preceding calculation, provided that contracted deposits of 25% rather than 15% are due to be paid within one-hundred eighty (180) days of signing of the agreements of purchase and sale with 15% received prior to first advance of the Loan. However, the Lender shall retain its discretion to disallow any such purchase of a unit to be included in the preceding calculation if it has reasonable grounds to do so;

d. *Commercial Unit Pre-sales:* Confirmation that deposits of not less than 20% percent of the aggregate sale price has been collected prior to first advance under the Loan and 25% of the aggregate sale price has been contracted to be received within one-hundred eighty (180) days of signing of the agreements of purchase and sale. In the case where a purchaser has a beneficial interest in more than one commercial unit, then the Lender will permit such unit(s) to apply for the purposes of the preceding calculation, provided that contracted deposits of 30%* rather than 25% are due to be paid within one-hundred eighty (180) days of signing of the agreements of purchase and sale with 25% received prior to first advance of the Loan. However, the Lender shall retain its discretion to disallow any such purchase of a unit to be included in the preceding calculation if it has reasonable grounds to do so;

**Pre-existing multi-commercial unit purchases entered into prior to June 1, 2021 shall be permitted subject to confirmation that deposits of not less than 20% percent of the aggregate sale price has been collected prior to first advance under the Loan and 25% of the aggregate sale price has been contracted to be received within one-hundred eighty (180), in the Lender's sole discretion.*

For additional clarity, and for the purposes of evaluating the creditworthiness of purchasers in this section 9, the Lender will review each purchasing parties' financial statements, rationale for purchasing the unit and consider the net worth of beneficial owners of any special purpose entity acting as a purchaser, whose owners shall be required to provide guarantees. Qualification of purchasers' ability to close will be determined in the Lender's sole and unfettered discretion;

e. *Prior-ranked Agreements:* Review and acceptance by the Lender of any applicable agreements, and amendments thereto, between the Borrower and a prior ranking mortgage holder, and approval of these agreements in the Lender's sole and absolute discretion;

f. *Deposits:* Confirmation, to the Lender's satisfaction, that all deposits received are either held by the Borrower's legal counsel in trust, held by the Lender in trust, or used to reduce any balance under the Loan as the case may be, or released for use in the project as detailed in the Business Plan;

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g. *Equity Requirement:* Confirmation the Borrower has invested all equity into the project as detailed in the Business Plan;

h. *Construction Management:* The Borrower's construction management team, shall be selected or approved by the Lender in its sole and absolute discretion;

i. *Covenantor Financial Disclosure:* Completed statements of net worth for all personal Covenantors, financial statements accountant-prepared according to GAAP for all corporate Covenantors and approval of same in the Lender's sole and absolute discretion;

j. *Zoning and Site Plan Approval:* Confirmation that the Borrower is in compliance with the terms and conditions of the development agreement and site plan agreement, has obtained all approvals necessary to lawfully allow the Project to proceed, and is in a position to obtain permits and licenses, all satisfactory to the Lender in its sole discretion;

k. *Preliminary Review and Approval of Business Plan, Budget, etc:* The Borrower's Business Plan, budgets and all relevant costs shall have been reviewed and approved by a duly qualified architect, engineer, quantity surveyor, project monitor, cost consultant or other consultant (the "Cost Consultant") selected or approved by the Lender, with results satisfactory to the Lender and the Cost Consultant in their sole discretion;

l. *Municipal Security:* The Borrower acknowledges and confirms that all municipal security required by the City and the Region, external to the Business Plan, have been or will be paid by the Borrower from its own resources and is not included in the Business Plan;

m. *Legal Retainer*: The Lender acknowledges receipt of a $10,000 Legal Retainer provided by the Borrower;

n. *Subordination and Standstill Agreement:* Confirmation that any and all parties with mortgage security registered against the Property have agreed to execute a subordination and standstill agreement, in the Lender's standard form;

o. *Site Inspection:* Satisfactory site inspection of the Property and approval by the Lender in its sole and absolute discretion;

p. *Fixed Price Contracts:* Confirmation that the Borrower has entered into a fixed price contract or contracts covering 100% of the site servicing costs of the Project and at least 70% of costs to be incurred respecting the construction of the Project with a general contractor and/or contractors approved by the Lender in its sole and absolute discretion;

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q. *Bonding:* Confirmation that the general contractor and any major subcontractor or other contractor has obtained price and performance bonding respecting the construction contract and the Project upon terms and conditions satisfactory to the Lender in its sole and absolute discretion. A contractor will be considered "major" if the contract is for twenty percent (20%) of the overall cost or more. The Lender may, in its absolute and sole discretion, waive the requirement for bonding where the general contractor or subject major contractor is clearly bondable and creditworthy by reference to objective and publicly available evidence; and

r. *Articles of Incorporation:* The Borrower must provide all articles of incorporation for its organization.

10. **ADVANCES**: The Lender shall not be obliged to make any advance under the Loan unless and until the Borrower and Covenantors have complied with all of the terms and conditions of this Commitment. The Lender shall be entitled, and is hereby authorized, to deduct from any advance the amount due or to become due for interest from the date of such advance to the Interest Adjustment Date or next regular payment date, and the aggregate of all amounts owing for accrued and unpaid interest, fees of any nature or kind whatsoever including the Commitment Fee, appraisal fees, consultant's fees and the legal fees and disbursements of the Lender's solicitors, and all other amounts, costs and expenses incurred by the Lender in connection with the Loan.

    Advances of the Loan will be completed in stages as construction of the Project is completed, provided that:

    a. The Lender shall not be required to make advances more frequently than monthly or in amounts less than $500,000 (except for the final advance of funds);

    b. The amount available from time to time under the Loan after giving effect to any advance, shall not exceed 100% of the cost of work in place as substantiated and certified by the Cost Consultant. All Cost Consultant fees and charges respecting advances shall be paid by the Borrower;

    c. The LTLV, after giving effect to any such advance, shall in the aggregate not exceed the percentages stipulated in Section 5. Again, the Lender will use in good faith the periodic reports of the Cost Consultant, but the Lender's discretion to adjust amounts where it deems appropriate shall at all times remain unfettered;

    d. The un-advanced principal balance of the Loan, after giving effect to any such advance, shall not exceed the cost to complete the Project as determined and certified from time to time by the Cost Consultant;

    e. The Lender shall not be obliged to make any advance except in strict accordance with the provisions of the Construction Act. Amounts held back by the Lender represent "at risk" money to the Lender and as such will accrue interest at a rate equal to one half of the Interest Rate applicable to the Loan. Upon each advance, a 10% holdback

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will be retained until:

i. Sixty (60) days have passed after substantial completion of the Project;

ii. The Lender has been presented with a statutory declaration detailing substantial completion as defined in, and in accordance with, the Construction Act;

iii. The Lender has been presented with evidence that proper trade publishing has been completed; and

iv. The Lender and its counsel are satisfied that the requirements of the Lien Act have otherwise been met.

f. Administrative preconditions to each advance shall be:

i. a sub-search of title demonstrating that no construction liens or other encumbrances have been registered against the Property except as permitted herein;

ii. that, at the Lender's election, it or its representative has made a site inspection;

iii. that the Borrower has provided, at its own expense, and the Lender has received up-to-date information which will include a satisfactory report from the Cost Consultant confirming that the remaining un-advanced funds under this Loan are sufficient to complete the construction as set out herein and that the work done to date has been completed substantially in accordance with the plans and specifications as set out in the Business Plan. The Borrower and Covenantor shall be responsible for all cost overruns and jointly and severally agree to fund such overruns from their resources immediately upon it being discovered and prior to any further advance; and

iv. that the Borrower has provided a statutory declaration confirming that all trades have been paid to date or will be paid for work completed to date from the advance.

g. Funds under this facility will normally be advanced to the Borrower but the Lender reserves the right to pay the general contractor or any contractors directly where it believes that the same is necessary or desirable in the prudent management of its risk. Prior to each advance the Borrower will provide a statutory declaration confirming that all trades have been paid to date or will be paid for work completed to date from the advance. No funds are to be used for any purpose other than for the costs relating to the Project;

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h. Facility 2 shall be advanced firstly, and once completely drawn, per the Business Plan, then Facility 1 shall be advanced; and

i. While Facility 2 is outstanding, the Lender shall confirm that prior to each subsequent advance following the initial advance of funds, the Borrower has prepaid Facility 2 by $30,000 or more.

11. **COST OVERRUNS**: Any amount required for advancement of the Project which, if funded by the Lender, would require an exposure by the Lender beyond the percentages referred to in Sub-clause(s) 9 (b), (c) and (d) above, or that constitutes a material item not depicted in the Business Plan, shall be deemed a "cost overrun", to be immediately funded by the Borrower and/or the Covenantor(s). Failure of the Borrower and/or the Covenantor to fund any cost overrun within a reasonable time, and in any event within ten (10) days after demand by the Lender, shall be an event of default under this Commitment.

12. **FURTHER ASSURANCES:** The Borrower agrees to act in honesty, good faith and reasonably to do all things and sign all documents necessary to give effect to the terms and conditionals of this letter in accordance with their plain meaning, spirit and intent. This includes proceeding expeditiously in doing all things necessary to meet the pre-conditions for funding each facility described herein.

13. **SYNDICATION**: The approval of this Loan will be subject to the Lender's ability to obtain financing partners, where necessary.

14. **NOTICES**: Any notice, direction or other instrument required to be given under this Commitment shall be sufficiently given if given as follows:

a. To the Borrower, by delivery of the same to any director, officer or agent of the Borrower either personally delivered or transmitted by registered mail or facsimile transmission addressed to the Borrower at its registered address for service, or at the address set out below:

1632 Concession 12 RR#1,
Port Elgin, Ontario N0H 2C5

b. To the Lender, by delivery of the same to the Lender either personally delivered or transmitted by registered mail or facsimile transmission to such address for service provided by the Lender from time to time, which, until notice is given otherwise, shall be the following address:

8 Sampson Mews, Suite 202
Toronto, ON M3C 0H5

c. To the Covenantor(s), by delivery of the same to the Covenantor(s) either personally delivered or transmitted by registered mail or facsimile transmission to such address for service provided by the Covenantor(s) as indicated on the signing page(s).

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15. **EXPIRY AND CANCELLATION**: The Lender shall have the right at its sole option to terminate this Commitment, to demand repayment of the Loan or to add to/modify the conditions set out herein (acting reasonably) if the conditions of this Commitment are not met or if there is, in the opinion of the Lender or its solicitors, a material adverse change in the risk, the value of the security or the covenants required herein, if the representations by the Borrower are not correct, or if the security has been impaired. The Lender shall also have the right, at its option, to terminate this Commitment or to demand repayment of the Loan if:

    a. the Security Documents are not registered by the first day of November 19, 2021;

    b. the first advance of funds is not made by the first day of November 30, 2021; or

    c. the final advance of funds is not made by the last day of November 30, 2023 or 24 months after the date of first advance under the Loan.

16. **ACCEPTANCE**: This Commitment shall remain open for acceptance by the Borrower and each Covenantor, in the manner herein specified, until 3:00 PM on the **1st day of November 2021**. After which time, if not accepted, the Lender's offer to finance set forth in this Commitment shall be null and void and the Lender shall be under no further obligation to extend or consider financing for the Borrower and the Lender shall not be responsible for any direct or indirect costs or damages incurred by the Borrower in consequence thereof. Acceptance of this Commitment shall have been properly completed when this Commitment, duly executed by the Borrower and each Covenantor and the Commitment Fee and Standby Deposit (if any) are received by the Lender on or before the date and time herein stipulated.

17. ***MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT 2006*:** The Borrower acknowledges having received and/or executed a Borrower Disclosure in accordance with the provisions of the *Mortgage Brokerages, Lenders and Administrators Act 2006* at least forty-eight (48) hours prior to signing this Commitment and a copy has been retained by the Borrower.

18. **SCHEDULES:** The following attached Schedule form a part of this Commitment:

    Schedule “A” – Morrison Financial Standard Terms and Conditions

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

DocuSigned by:
Graham Banks
B212C59A92A444C...

Graham Banks, CFA
Senior Vice President

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Per: DocuSigned by:
0230DF4DB341403...

Alex Tveit,
Vice President

E. & O. E.

ACCEPTANCE

THE UNDERSIGNED hereby accept the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin this 10/26/2021.

1817955 Ontario Ltd.
Per:

DocuSigned by:
5CA288AE00FB47C...

Name: Andrew Hill
Title:
I/We have authority to bind the Corporation.

AS COVENANTORS

Per:

DocuSigned by:
5CA288AE00FB47C...

Name: Andrew Hill

1632 Concession 12, Port Elgin ON
Address for Service

In his personal capacity.

This is Page 14 of a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, regarding the provision of a $7,633,237 mortgage loan.

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Schedule A

Morrison Financial Standard Terms and Conditions

1. Conditions of Advance: The Lender shall not be obliged to make any advance under the Loan unless, at the Borrower's sole expense, it has complied with the following conditions and the Lender has received and approved the following documents and matters in form and substance satisfactory to the Lender and its solicitors:

(a) *Survey:* As soon as is reasonably possible, but in any event sufficiently in advance of the initial disbursement of funds so as to enable the Lender's solicitors to obtain clearance of same from the relevant municipal authorities, the Borrower shall provide the Lender with an up-to-date survey of the Property prepared by a licensed Ontario Land Surveyor, and showing:

(i) all encroachments, easements and rights-of-way;

(ii) the dimensions, boundaries and square footages of the Property;

(iii) the location of all buildings and improvements on the Property, their dimensions and distance from the lot lines;

(iv) particulars of adjacent properties and access to and from public highways; and

(v) all other particulars required to be shown on a survey prepared for lands situated in the Province of Ontario.

The survey must bear the name, address and signature of the surveyor, his official seal and licence number (if any, or both), the date of the survey and have thereon a Surveyor's Certificate in the form and content required for surveys prepared in the Province of Ontario.

(b) *Insurance:* Not less than five (5) days prior to registration of the Security, the Borrower shall provide to the Lender originals or copies certified by the insurers of:

(i) Builders all-risk insurance, broad form boiler and machinery, in an amount approved by the Lender, rental loss insurance, flood, earthquake and building bylaws insurance and any and all other insurance coverages for the Property which the Lender may, in its sole discretion, require from time to time;

(ii) Comprehensive general liability insurance against loss from liability imposed by law as owner and/or landlord of the Property resulting from personal injury or death, and damage to or loss of property, of any person, in an amount approved by the Lender on a single occurrence basis;

(iii) Insurance against loss of rent, rental value and other payments required to be paid or made by tenants, or loss of income and profits from the business carried out on the Property from at least those risks covered by the insurance herein required and under which the period of indemnity will be not less than twelve months, and to the extent of not less than 100% of such loss of gross rent or rental value, or income value from time to time with no co-insurance provisions;

(iv) Title insurance including Super Priority Lien coverage; and

(v) Any and all other insurance coverages which the Lender may in its sole discretion require from time to time.

All policies of insurance shall name the Lender as Co-insured and First Loss Payee and be subject to review and approval by an insurance consultant retained by the Lender for such purpose, and the Borrower agrees to pay for the consultant's fees in connection with such review. This shall include any subsequent change in the insurance policy made by the Lender. The Borrower acknowledges that the foregoing represents only the minimum insurance requirements of the Lender and shall not be construed as a recommendation or opinion by the Lender as to the full scope of insurance which may be required

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by a prudent owner of the Property, and the Borrower is hereby advised to govern itself accordingly in that regard.

(c) *Financing and Operating Statements:* The Commitment assumes the accuracy of the information previously supplied by the Borrower and presupposes no material adverse change in the Borrower prior to the disbursement of the Loan. In addition, so long as any amount remains owing to the Lender, the Lender shall be entitled to receive from the Borrower, and each of the corporate Covenantor(s), at no cost and in a proper accounting format or compilation, the following information:

(i) *Quarterly, no later than the 30th day after each quarter end:* Financial reports, including the balance sheet and statement of income for the quarter and on a year-to-date basis, with details of accounts payable and all priority payables, certified as accurate by an appropriate corporate officer;

(ii) *Within Ninety (90) days after the end of each fiscal year:* An annual operating statement in respect of the Property and the Borrower for the immediately preceding fiscal year setting forth the gross sales revenues, rents and other income derived from the Property, the costs and expenses of operation and maintenance of the Property, and such other information and explanations in respect of the same as may be required by the Lender;

(iii) *Within Ninety (90) days after the end of each fiscal year of the Borrower and each Covenantor which is a corporation:* The annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Lender;

(iv) *Within Thirty (30) days after each anniversary of the date of the Commitment:* From each Borrower and Covenantor(s) who is an individual an annual updated net worth statement of in such form and including such content and other information and explanations as may be required by the Lender; and

(v) *As requested from time to time:* Such further or other information as the Lender may reasonably require in the monitoring and management of its risk.

All operating and financial statements shall be prepared at the expense of the Borrower and in accordance with generally accepted accounting principles applied on a consistent basis. Annual statements shall be prepared by a duly qualified chartered accountant or certified public accountant which is acceptable to the Lender, on a review engagement basis, and the completeness and correctness of such statements shall be supported by an affidavit of an authorized officer of the Borrower or Covenantor(s), as the case may be.

(d) *Leases:* All agreements to lease, leases, rents, income and profits arising from or in connection with the Property, and all renewals, amendments, assignments or other agreements relating to same (collectively the "Leases") shall be submitted to the Lender for its review and approval prior to the initial advance, if not approved by the Lender prior to issuance of this Commitment. All Leases entered into after execution of this Commitment shall be subject to the review and approval of the Lender. The Borrower shall not collect any amounts due under the Leases for rents or otherwise in advance, other than last month's rent due under any of the Leases and shall not waive, release, reduce or discount any such rents or other charges due under the Leases and shall not consent to any assignment of the Leases or subletting thereunder without the prior written consent of the Lender. Prior to advance of funds and every Sixty (60) days thereafter for so long as the Loan remains outstanding, the Borrower shall provide to the Lender a detailed list of all current tenants, rentals and other income of the Property. Prior to the initial advance, at the Lender's sole discretion, the Borrower shall deliver to the Lender sufficient executed copies of a form of notice to each of the tenants under the Leases advising them that the Leases have been assigned as security for the Loan and directing them to recognize the rights of the Lender pursuant to the Security Documents and/or at law, provided that the Lender shall not collect rents under the Leases unless and until there is default by the Borrower under the Loan. The Lender

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shall be entitled to deliver such notices to each tenant forthwith after completion of the initial advance. All Leases shall be subordinated to the rights of the Lender under the Security Documents.

(e) *Corporate Authority:* Prior to advance of funds, each Borrower and Covenantor(s) which is a corporation shall provide to the Lender such documentation as is reasonably satisfactory to the Lender and its solicitors evidencing its valid corporate existence and subsistence, and power and authority to enter into the transaction contemplated by this Commitment and execute and deliver the security required hereunder, including, without limitation, a certificate of status, a certificate of non-restriction, a certified resolution of the board of directors, a certificate of incumbency disclosing all directors, officers and shareholders, and a corporate opinion given by the solicitors for each such corporation in form and content reasonably satisfactory to the Lender and its solicitors.

(f) *Status Certificates:* Where the Property is a registered condominium, a registered condominium, delivery to the Lender of a duly completed Status Certificate in accordance with the *Condominium Act, 1998*, as amended or replaced from time to time.

(g) *Environmental Assessment:* Delivery to the Lender of a professionally prepared report or other evidence satisfactory to the Lender (addressed to the Lender) confirming that the Property is not affected by any Hazardous Substance as defined herein, such report to be in the form of a Phase I Environmental Audit or at the Lender's sole option prepared in accordance with such other standard or criteria as may be specified by the Lender. The Borrower agrees to comply with the findings of the Phase I Environmental Audit, and subsequent Audits, with respect to the recommendation of conducting further Audits.

(h) *Soil Tests:* Delivery to the Lender of a professionally prepared soil test and a geotechnical report and such other reports or other evidence (addressed to the Lender) satisfactory to the Lender and its Costs Consultant confirming that the soil tests and other tests and examinations of the Property are satisfactory for construction and completion of the Project.

(i) *Plans, Specifications and Budgets:* Delivery to the Lender copies of all relevant plans, specifications, working drawings, a pro-forma cash-flow presentation and budgets pertaining to the construction and completion of the Project (collectively the "Project Documents"), together with a certificate from the Borrower's architect confirming that same accurately represent all material details of the Project and that the said pro-forma cash-flow presentation and budgets constitute an accurate representation of the anticipated cost of the Project allowing for reasonable contingencies. All Project Documents shall be subject to review and approval by the Lender and the Costs Consultant in their sole and absolute discretion. The Costs Consultant shall confirm all relevant matters pertaining to the Project Documents, including, without limitation, that construction of the Project in accordance with the said plans and specifications will conform with all applicable laws, by-laws and regulations and that the said budgets are sufficient to allow completion of the Project in accordance with the said plans and specifications. The Borrower shall be given an opportunity to pre-approve the Costs Consultant's fees and expenses, if any, with respect to its review and report.

(j) The Lender retains the right to request that confirmation of the work performed to date include account statements obtained directly from contractors and subcontractors confirming amounts owed as at the subject date. Such statements, if requested, shall be submitted with the corresponding draw request.

(k) *Building Permits, etc.:* Delivery to the Lender of evidence that the Borrower has obtained all zoning approvals and the necessary licenses and permits so as to enable commencement and completion of the Project and that same are in good standing in all respects. In addition, the Borrower shall provide satisfactory evidence that all development charges, fees and levies have been paid in full.

(l) *Agreements of Purchase and Sale:* Delivery to the Lender of true copies of all agreements of purchase and sale respecting all pre-sales including a deposit schedule with copies of all cheques received and held as per the deposit schedule. An amendment to a purchase and sale agreement made without prior approval of the Lender will constitute an event of default.

(m) *TARION Compliance:* If the Borrower is a "vendor" or a "builder" within the meaning of the *Ontario New Home Warranties Plan Act* (the "Act") and any of the improvements on the Property is a "home" within the meaning of the said Act, delivery of evidence satisfactory to the Lender that all registrations and

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enrolments have been effected under the said Act and that the same has been fully complied with in all respects including, without limitation, the fulfillment of all financial and security requirements in respect thereto.

(n) *Legal Opinion:* The Lender shall be in possession of a legal opinion from the Borrower's and/or the Lender's counsel, in form and substance satisfactory to the Lender, attesting to, in addition to all of the ordinary content of such letters of opinion, all of the following:

(i) That all security contemplated herein has been duly implemented;

(ii) That the Borrower has the right to enter into the Loan transaction and all related security and the same have been duly authorized, approved and executed in accordance with the Borrower's articles and by-laws; and

(iii) That at the time of disbursement there were no building or construction liens against the Property.

(o) *Debt-Service Capability:* The Borrower has demonstrated, to the Lender's satisfaction, a clear ability to meet any debt service obligations that the Borrower will be required to satisfy while any part of the Loan is outstanding.

(p) *Tenant Estoppel Agreement(s):* Non-disturbance and subordination agreement(s) from any tenant(s) in the Property.

(q) *Condominium Documents:* Where the Property is to be a registered condominium, delivery to the Lender of the disclosure and draft declaration for review and acceptance by the Lender in its sole and absolute discretion.

2. **Sale of the Property**: In the event of a sale, transfer, conveyance or further encumbering of the Property or any part thereof, or a lease of the Property, or a change in the legal or beneficial ownership of the Property or any part thereof, or a change in control of the Borrower, the Loan shall, unless the written consent of the Lender has first been obtained, forthwith become due and repayable in full at the option of the Lender and the Borrower shall be deemed to be in default under the Loan and all security given for the Loan shall become immediately and fully enforceable.

3. **Material Misrepresentations and Material Changes:** If at any time before or after acceptance of this Commitment or advance of funds under the Loan, there is or has been any material change, discrepancy or inaccuracy in any written information, statements or representations made or furnished to the Lender by or on behalf of the Borrower or any Covenantor(s) concerning the Property, the Project or the financial condition and responsibility of the Borrower or any Covenantor(s), or in the event of default by the Borrower or any Covenantor(s) under this Commitment, then, if such default, material change, discrepancy or inaccuracy cannot be rectified or nullified by the Borrower or such Covenantor(s) within fifteen (15) days after written notification thereof by the Lender to the Borrower or such Covenantor(s), the Lender shall be entitled forthwith to withdraw and cancel its obligations hereunder or decline to advance further funds, as the case may be, and to declare any funds which have been advanced, together with interest, to be forthwith due and payable in full.

4. **Preauthorized Payments**: At the option of the Lender, the Borrower shall execute and deliver to the Lender prior to the initial advance such documentation required by the Lender so as to authorize and permit the Lender to have the monthly installments due under the Loan deducted from the Borrower's bank account; provided that the Borrower shall forthwith execute and deliver to the Lender such other or additional preauthorized payment forms as may be required by the Lender from time to time or as may be necessitated by any change in the Borrower's bank account; and provided further that, in the event that the Lender in its sole discretion determines that it no longer wishes to utilize a preauthorized payment plan, the Borrower shall, upon fifteen (15) days' prior written notice from the Lender, provide postdated cheques to the Lender in the manner hereinbefore stipulated. In the event that payment is made other than by postdated cheque or pre-authorized payment, in the course of effecting any loan payments hereunder and in the course of repaying or discharging all or part of the Loan, then all such payments shall be delivered by 12:00 p.m. failing which such payments shall be deemed to have been received on the next business day**.**

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5. **Standard Charge Terms**: The Borrower acknowledges and agrees that the mortgage document may incorporate by reference any and all Standard Charge Terms required from time to time by the Lender, provided that the terms and provisions of the mortgage document shall not be limited to any such Standard Charge Terms and may incorporate such additional provisions as are contemplated by this Commitment and/or as may be considered advisable by the Lender or its solicitors in their sole opinion. In this Commitment, "Standard Charge Terms" refers to any set of Standard Charge Terms and the Lender's standard mortgage provisions prepared by the Lender and the Lender's solicitor, as the case may be.

6. **Condominium Provisions:** With respect to any Property which is a condominium, the Standard Charge Terms and mortgage documentation shall include such provisions in relation thereto as are considered advisable by the Lender or its solicitors including, without limitation, covenants that the Borrower will fully comply with all requirements of the *Condominium Act, 1998* ("the Act"), as amended or replaced from time to time, and the constitution and by-Laws of the condominium corporation; covenants that the Borrower shall pay all required contributions to common expenses, special levies and other charges in relation to the condominium; covenants authorizing the Lender to do the same in the event that the Borrower fails to do so; appointment and authorization of the Lender to exercise all of the Borrower's voting rights or to abstain from so doing at the Lender's option; covenants by the Borrower to provide to the Lender copies of all notices, assessments, claims, demands, by-laws, rules, requests for consent and other communications relating to the condominium; and acknowledgement of the Lender's right to demand immediate repayment of the Loan in the event of any termination of the condominium or sale of its assets or failure of the condominium corporation to comply with its enabling legislation or failure by the condominium corporation to maintain insurance as required by its enabling legislation and its constitution and by-Laws.

   Provided the Borrower is not in default under this Commitment or any security given in relation hereto, the Lender hereby agrees that it will consent to the registration of a plan of condominium and declaration (the "Condominium") pursuant to the Act with respect to the Lands provided that the Lender has received and approved the draft plan of condominium and the declaration and provided further that the Borrower, if requested by the Lender, shall deliver to the Lender prior to the registration of the Condominium, a further charge of the Property (the "Replacement Charge") on the same terms and conditions save and except for the new legal description of the Property. It is agreed the Replacement Charge shall secure the indebtedness hereunder in the same manner as the original security, and shall be registered on title to the Condominium (including without limitation all units thereof) immediately following the registration of the Condominium Declaration. In connection with the provision of the Replacement Charge, the Borrower shall also provide a replacement general assignment of rents (the "Replacement Assignment of Rents"), a reconfirmation of all existing security and such further and other documentation as may then be required by the Lender's solicitors. The security granted hereunder shall not be released or discharged from the Property (save and except for any partial discharge provisions provided for herein) until the expiration of Ninety (90) days immediately following the later of the registration of the Condominium and the registration of the Replacement Charge and Replacement Assignment of Rents.

   Notwithstanding any other provisions of this Commitment or the security taken in relation hereto, upon unit occupancy, the Borrower shall pay the interest portion of all monthly interim occupancy fees received by it from the purchasers of condominium units to the Lender, such amounts to be applied, firstly, on account of the interest and fees due and, secondly, on account of the principal balance outstanding.

   Upon registration of the Condominium Declaration, the following shall apply:

   (a) The Borrower shall be responsible for ensuring that the Condominium Corporation ("the Corporation") provides insurance in accordance with the provisions of this Commitment;

   (b) The Borrower shall:

      (i) Pay any and all money due and payable by the Borrower in accordance with the provisions of the Condominium Act or the Declaration or the by-law or the by-laws of the Corporation from time-to-time on or before the dates for payment thereof, and upon demand of the Lender submit satisfactory proof of payment, including, without limiting to the foregoing, any contribution to the common expenses or in respect of any special assessments required as owner. In the event of default the Lender, at its option, may pay the same and treat such failure by the Borrower as an Event of Default; and

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(ii) Comply with and observe all the covenants, provisions, terms, conditions, stipulations, specification, rules and regulations of the Condominium Act and of the Declaration and of the by-laws of the Corporation and any future by-laws of the Corporation and of any of the said rules and regulations applying to the owners of the said units.

(c) In the event that the government of the Property by the Corporation is terminated or in the event of a sale of the property or a part of the common elements of the corporation being authorized by a vote of the owners of the said units then, and in any such event, the monies hereby secured shall, at the option of the Lender, become due and payable, and all the powers given herein shall become exercisable notwithstanding any consent given by the Lender to such termination or sale;

(d) The Lender may, in the name of and on the behalf of the Borrower, exercise from time-to-time and at any time the rights of the Borrower to vote or consent at all times and for all purposes, wherever and whenever the Borrower would have such right to vote, at any meeting of the Corporation or wherever and whenever the Borrower would have the right of consent to any matter relevant to the management or sale or any dealings with the Property of the Corporation or its assets or the termination of the application of the Act to the Corporation;

(e) The Lender may from time-to-time waive the right to vote or right of consent by giving notice of intention to do so to the Corporation and such waiver may be for an indeterminate period of time until withdrawn or for a limited period of time or for a specific meeting or matter, and while such waiver is in effect the Borrower may exercise the right to vote or to consent;

(f) Notwithstanding the exercise by the Lender of the right of the Borrower to either vote or consent, such exercise shall not render the Lender a lender-in-possession; and

(g) The right to vote or to consent conferred upon the Lender herein does not entail any representation expressed or implied, that the Lender shall be in any way responsible to protect the interest of the Borrower, and the Lender shall not be responsible for any exercise of the right to vote or the rights to consent or any failure to exercise the right to vote or the right to consent.

7. **Covenantors**: In consideration of the Lender committing to make the Loan available to the Borrower (the receipt and sufficiency of which is hereby acknowledged by each Covenantor, each Covenantor named in and executing this Commitment does hereby covenant, jointly and severally, as principal debtor and not as surety, that he will pay or cause to be paid to the Lender all amounts due by the Borrower under the Loan up to the limit provided for herein, if any and will observe, keep and perform all of the terms and conditions set forth herein or required hereby to be observed, kept and performed by the Borrower pursuant to this Commitment or any of the Security Documents, and that after the first advance under the Loan, all present and future indebtedness of the Borrower to each Covenantor shall be assigned to the Lender and postponed to the present and future indebtedness of the Borrower to the Lender; and each Covenantor agrees that he shall execute the Security Documents or any of them, in such form as may be required by the Lender and its solicitors, in order to fully document and effectuate the intent and meaning of this paragraph.

8. **Taxes:** All realty taxes and penalties, if any, due and payable and all outstanding levies, special assessments and other charges relating to the Property shall be paid in full by the Borrower prior to each advance under this Loan. The Lender reserves the right to pay future taxes and to collect from the Borrower an amount each month sufficient to pay the taxes in full by the due dates thereof. The Lender shall also have the right to require the Borrower to establish and maintain a non-interest bearing tax escrow account with the Lender, wherein the Borrower shall deposit, on an equal monthly basis, the full amount of projected annual taxes, the accumulated funds to then be made available to the Borrower for the payment of taxes as and when due or, at the Lender's option, paid directly to the municipality. In addition, at the Lender's option, the tax obligations of the Borrower may be provided for as part of the Interest Reserve facility. Nothing contained herein shall derogate from the Borrower's obligation to ensure that all taxes in relation to the Property remain paid.

9. **Compliance with By-Laws, etc.:** Prior to each advance, the Lender shall receive satisfactory evidence of compliance with all applicable building and zoning by-laws, restrictive covenants, agreements, rules and regulations of and with public authorities respecting the construction, use and occupancy of the Property.

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The Borrower and each Covenantor agrees to provide written authority, duly signed by all owners of the Property and addressed to the requisite municipal or other authority having jurisdiction, so as to allow release to the Lender of any information contained in the records of such authority, or, at the Lender's option, to allow an inspection of the Property by such authority to determine any outstanding work orders or deficiencies.

10. Events of Default: Notwithstanding the terms set out herein, forthwith upon the occurrence of any of the following events the full amount due and owing to the Lender, whether as advances, fees interest, costs or otherwise, shall be accelerated and become immediately due and payable in full:

(a) The Borrower, after seven (7) days' written notice, continues to be in default in payment of any amount due from time to time or of any fee or other sum due;

(b) The discovery by the Lender that the Borrower, or anyone acting on its behalf, has made a material false representation upon which the Lender actually relied or was reasonably entitled to rely in granting or continuing this facility;

(c) Any default by the Borrower in the observance or performance of any of the other covenants or agreements on its part to be observed or performed hereunder, and the failure to cure such default within fifteen (15) days after written notice thereof is given by the Lender;

(d) The Borrower or any Guarantor shall fail to perform or observe any covenant, condition, or provision to be performed or observed by either of them under the terms of this facility, the security, or any other agreement in writing, after receipt of fifteen (15) days' notice;

(e) Any insurance policies to be provided by the Borrower pursuant hereto shall be or become cancelled or invalidated or altered below stated requirements for any reason before such policy is replaced with another which complies with the provisions hereof;

(f) The Borrower shall fail to maintain reasonable currency with respect to government priority payables;

(g) The Borrower or any Covenantor(s).

(i) Shall suspend or discontinue its business;

(ii) Shall become insolvent (however such insolvency may be evidenced), bankrupt, or commit an act of bankruptcy;

(iii) Shall make an assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts as they mature, or if bankruptcy, reorganization, arrangement, insolvency, or similar proceedings for relief of financially distressed debtors shall be instituted against them;

(iv) Shall petition for or there shall be appointed for them, or for a substantial part of their assets, a trustee, receiver, or liquidator; or

(v) Shall take any action for the purpose of effecting any of the foregoing.

11. Warranty as to Title and Authority: Except as may be otherwise provided in this Commitment, the Borrower hereby represents and warrants,

(a) That the Borrower is the sole registered owner of the Property and does not hold the same in trust for any other parties except as may be expressly set out in this Commitment;

(b) That title to the Property is good and marketable and free from all easements, rights-of-way, agreements, restrictions, mortgages, charges, liens, executions and other encumbrances, save and except those which have been disclosed to the Lender prior to the date of issuance of this Commitment and save for such other encumbrances which are determined by and in the sole discretion of the Lender and its solicitors as not materially adversely affecting the Lender's security;

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(c) That any the Leases and the rents charged are legal and enforceable, and that the Borrower has complied in all respects with all applicable legislation governing rental properties and the rents charged therefore;

(d) That all parties hereto have the right to enter into this Commitment and to charge or pledge the Property and other assets herein stipulated as security for the Loan; and

(e) That the Property and other assets herein stipulated as security for the Loan do not, within the meaning of Section 244 of the *Bankruptcy and Insolvency Act (Canada)*, comprise all or substantially all of the inventory, accounts receivable or other property of the Borrower acquired for or used in relation to any business carried on by the Borrower.

12. Prior Encumbrances: This Commitment shall, upon acceptance by the Borrower, operate as a direction to the Lender to disburse at its sole option, out of the proceeds of each advance under this Loan, such amount or amounts sufficient to pay all outstanding realty taxes and penalties thereon, utility charges, construction and other liens and any and all other charges for deficiencies pertaining to the Property, the amount required to discharge any prior encumbrances not being assumed or bring into good standing any encumbrances being assumed and any and all charges and expenses connected with the Loan, including, without limitation, all accrued and unpaid interest with respect to the Loan and all premiums for insurance of the Property.

13. No Subsequent Encumbrances: The Borrower covenants and agrees that it shall not, without the prior written consent of the Lender, execute or deliver any mortgage, charge, lien or other encumbrance of the Property intended to rank subordinate to any of the Security Documents.

14. Construction Act: The Borrower represents, warrants and agrees that the proceeds of the Loan are not intended to be utilized for the purposes of security financing of any improvements whatsoever with regard to the Property, nor for the purposes of repaying any financing, mortgage or otherwise which was utilized or intended for the financing of any improvement with regard to the Property, and accordingly it is not the intention that the security to be taken pursuant to this Commitment be a mortgage over which a person supplying services or materials to the Property has or may claim priority pursuant to any applicable construction lien legislation.

The Lender shall not be obliged to make any advance except in strict accordance with the provisions of the *Construction Act*, R.S.O. 1990 c. C.30 (the "Act"). Upon each advance, a 10% holdback will be retained until:

(i) Sixty (60) days have passed after substantial completion of the Project; and

(ii) the Lender has been presented with evidence that proper trade publishing has been completed and the Lender and its counsel are satisfied that the requirements of the Act have otherwise been met.

15. Hazardous Substances: In this Commitment, "Hazardous Substance" means any hazardous waste or substance, pollutant, contaminant, waste or other substance, whether solid, liquid or gaseous in form, which when released into the natural environment may, based upon reasonably authoritative information then available concerning such substance, immediately or in the future directly or indirectly cause material harm or degradation to the natural environment or to the health or welfare of any living thing and includes, without limiting the generality of the foregoing,

(a) Any such substance as defined or designated under any applicable laws and regulations for the protection of the environment or any living thing;

(b) Asbestos, urea formaldehyde, poly-chlorinated byphenyl (PCB) and materials manufactured with or containing the same; and

(c) Radioactive and toxic substances.

The Borrower and each Covenantor jointly and severally represent, warrant, covenant and agree that:

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(a) Each has not and, to the best of their respective knowledge, information and belief after making due inquiry, no other person has caused or permitted any Hazardous Substance to be placed, stored, located or disposed of on, under or at the Property;

(b) They and their tenants, invitees and other occupiers of the Property have and will at all times and, to the best of their respective knowledge, information and belief after making due inquiry, all prior owners and occupiers of the Property have at all times carried out all business and other activities upon the Property in compliance with all applicable laws intended to protect the environment including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Substance;

(c) No order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to any Hazardous Substance or the environment has been issued or is otherwise threatened or pending with respect to the Property;

(d) Each of the representations and warranties set out herein shall remain true and accurate in all respects up to and including the date of the first advance of funds and thereafter until the Loan is repaid in full; and

(e) The Lender may delay or refuse to make any advance to the Borrower if the Lender believes that any of the representations and warranties set out herein were not true and accurate when made or at any time thereafter.

The Borrower shall permit the Lender to conduct, at the Borrower's expense, any and all tests, inspections, appraisals and environmental audits of the Property so as to determine and ensure compliance with the provisions of this paragraph including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Property or the businesses and other activities conducted thereon at any time and from time to time.

The Borrower and each Covenantor jointly and severally agree to indemnify and save harmless the Lender and its officers, directors, employees, agents and shareholders from and against any and all losses, damages, costs and expenses of any and every nature and kind whatsoever which at any time or from time to time may be paid or incurred by or asserted against any of them as a direct or indirect result of:

(a) A breach of any of the representations, warranties or covenants hereinbefore set out;

(b) The presence of any Hazardous Substance in, on or under the Property; or

(c) The discharge, emission, spill or disposal of any Hazardous Substance from the Property into or upon any land, the atmosphere, any watercourse, body of water or wetland;

The provisions of all representations, warranties, covenants and indemnifications set out herein shall survive the repayment and satisfaction of the Loan and the release and discharge of the Security Documents.

16. **Survival of Terms:** Notwithstanding the delivery and registration of any or all of the security contemplated by this Commitment and the advance of funds pursuant thereto, the terms and conditions of this Commitment shall remain binding and effective on the parties hereto, and shall not merge in the Security Documents or any of them, and the terms of this Commitment shall be incorporated by reference into the Security Documents. In the event of any discrepancy between the terms of this Commitment and any of the Security Documents, or any discrepancy as between any of the Security Documents, the Lender, in its sole discretion, shall decide the provisions of which document shall prevail.

17. **Solicitors and Documentation:** All legal matters and documentation shall be satisfactory to the Lender's solicitors, whose fees and disbursements the Borrower and the Covenantor(s) agree to pay whether or not this transaction is completed as contemplated herein. The Borrower acknowledges and confirms that it shall be responsible to obtain and negotiate legal fees and estimated disbursements from the Lender's appointed solicitor. The Borrower agrees to provide a non-refundable legal retainer, payable to Lender,

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upon acceptance of the commitment letter, to be applied to legal costs incurred in the legal implementation of the loan.
With respect to the Lender's counsel, the Borrower, upon request, will be offered an opportunity to obtain and approve and advance quotation of the expected amount of fees. In the event that the Borrower find the quotation unacceptable, the Lender will propose at least two other options for counsel, with all being asked to provide a competing quotation. The Borrower will thereupon be bound to accept the lowest quotation. As noted above, a trust retainer of some or all of the proposed fee may be required to be paid in advance.

18. **Solicitor's Opinion:** All advances in this Loan are subject to receipt by the Lender of an opinion acceptable to the Lender from its solicitors as to the effectiveness and priority of all Security Documents. The Borrower agrees to deliver to the Lender or its solicitors, forthwith upon request, such other documents, assurances, information and covenants as the solicitors for the Lender may reasonably require with regard to the Loan or the Security Documents to be given hereunder. The Borrower and Covenantor(s) acknowledge and confirm that at the Lender's solicitor's option, they may be required to obtain independent legal advice respecting this transaction.

19. **Lender's Documentation:** All terms and conditions of the Lender's usual Security Documents and supporting documents shall be deemed to be incorporated in and form part of this Commitment. The form of all documentation shall be made available for the Borrower's inspection upon request. Prior to each advance, the Lender and its solicitors shall be satisfied with the form and content of all documents in connection with the Loan, all disbursement procedures and all matters relating to title and the security.

20. **Payment of Costs:** The Borrower shall pay, whether or not the Loan or any part thereof is disbursed, all costs of investigation and certification of title by the Lender's solicitors, registration fees, legal costs, appraisal costs, all Cost Consultant fees and out-of-pocket expenses incurred by the Lender relating to the Loan and to preparation for and completion of the transaction contemplated by this Commitment.

21. **Credit Investigation:** The Borrower and all Covenantors acknowledge receipt of notice that usual credit and personal enquiries may be made at any time in connection with the credit hereby applied for and consent to disclosure of any such information to any other credit grantors or to any consumer reporting agency.

22. **Marketing:** The Borrower shall, at its own expense, erect on the Property any sign provided by the Lender indicating the source of financing, the location and size of such sign to be determined by the Lender, provided that same complies with requirements of all governmental authorities having jurisdiction. Alternatively, by mutual agreement, the sign content required by the Lender may be incorporated into the Borrower's signage. The Borrower shall further permit the Lender to advertise that it has provided funding to the Borrower as the Lender deems fit, provided that such advertising shall not include any confidential information.

23. **Notices:** All notices or other communications required to be given or which may be given under this Commitment shall be in writing duly executed by the party giving such notice or its solicitors, and shall be personally delivered or transmitted by registered mail or facsimile transmission addressed to the Lender, the Borrower and the Covenantor(s) as indicated in the Commitment. Notices given by personal delivery or facsimile transmission shall be deemed to have been received on the day of and at the time of such delivery or transmission and all other notices shall be deemed to have been received at 2:00 p.m. on the second business day after the posting thereof. Any notice requesting or requiring response within five (5) or less business days from the date thereof shall be given by personal delivery or facsimile transmission. In the event of actual or reasonably anticipated postal disruption, all notices shall only be given by personal delivery or facsimile transmission. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

24. **Assignment of Commitment:** This Commitment and the rights and benefits arising herefrom may not be assigned by the Borrower to any other party without the written consent of the Lender, which consent may be arbitrarily and unreasonably withheld.

25. **Syndication by Lender:** It is not uncommon for Lender to syndicate or take partners in the financings that it engages in from time to time, or to assign security. Generally speaking, in all such activity, the Lender continues as the manager of the financing. The participants may be disclosed or undisclosed and the

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security may be registered in the name of the Lender and a participant as their interests appear pursuant to the terms of a mortgage participation and servicing agreement. The Borrower agrees that the Lender's interest in the Loan and all underlying security shall be assignable by the Lender in its sole and absolute discretion with or without notice and in whole or in part. The Borrower's consent shall not be required for such assignment and the Borrower will do all things, sign all documents and give all assurances that may be necessary in the completion of such assignment.

26. Lender Consents: The Lender hereby consents to the commencement, carrying out and completion of the development of the Property in accordance with the Business Plan provided by the Borrower as part of the Project, and no act of demolition or alteration of the Property in respect thereto shall be deemed an act of waste. In addition, the Lender agrees, and the mortgage shall provide that, following receipt of any and all reasonable requests from the Borrower for consent or agreement, it will consent to and, if required, join in any agreement existing or in the future required in connection with the development and improvement of the Property in accordance with the Business Plan. All costs and expenses incurred by the Lender with regard to reviewing and responding to the requested consent or agreement shall be for the account of and paid by the Borrower. The agreements shall include:

(a) Any agreement with municipal or other governmental or public authorities as may reasonably be required in connection with the zoning, construction, development, easement, remediation or redevelopment of the Property ("the Municipal Agreements");

(b) Any easements, rights of way, restrictions or similar rights with respect to the Property reasonably required to implement any Municipal Agreement; and

(c) The registration and development of the plan of condominium as contemplated in the Business Plan.

27. Permitted Encumbrances: The Lender consents to encumbrances in respect to any of the following being registered against the Property as needed in furtherance of the development of the Property in accordance with the Business Plan:

(a) The reservations, limitations, exceptions, provision and conditions, if any, expressed in any original grants from the Crown including, without limitation, any reservation relating to mines or minerals in favour of the Crown or any other person;

(b) Subdivision agreements, remediation agreements, site plan control agreements, servicing or industrial agreements, utility agreements, airport zoning regulations and other similar agreements with governmental authorities or private or public utilities;

(c) Rail siding agreements or facility, cost-sharing, servicing, reciprocal use, or other similar agreements;

(d) Encumbrances respecting minor encroachments of the Property over neighbouring lands and permitted under agreements with the owners of such lands, and minor encroachments over any of the Property by improvements of abutting landowners and permitted under agreements with the Borrower;

(e) Title defects or irregularities which are of a minor nature and which, in the Lender's opinion, in the aggregate will not materially impair the use or marketability of the Property;

(f) Restrictive covenants, private deed restrictions and other land use control agreements; and

(g) Any easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner.

28. Agreements of Purchase and Sale and Deposits: The Borrower shall deliver to the Lender copies of all agreements of purchase and sale within five (5) business days after they become binding. All purchaser deposits are to be held by the Lender or in the trust account of a solicitor appointed by the Lender. Deposit monies will only be made available for use by the Borrower with the express written approval of the Lender. The Borrower acknowledges that, whenever permission to use deposit monies is requested, it will be subject to two conditions:

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(a) That the deposit monies shall be used to fund project costs in relation to execution of the Project and for no other purpose; and
(b) That the amount available hereunder for project costs will be reduced by one hundred percent (100%) of the amount of deposits so used.

29. Time of the Essence: Time shall be of the essence in this Commitment. The times herein specified for the taking of certain action by the Borrower are in each case firm and shall not be extended without the written approval of the Lender.

30. Prior Commitments: This Commitment shall supersede any and all prior dealings, whether written or oral, as between the parties hereto and relating to this Loan.

31. Amendments: No term or requirement of this Commitment or any Security Documents may be waived or varied orally or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment or any Security Document must be in writing and signed by a duly authorized officer of the Lender.

32. Waiver of Defaults: Any waiver by the Lender of any default by the Borrower or any omission on the Lender's part in respect of any default by the Borrower shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Borrower or the Lender's rights resulting therefrom.

33. Interpretation: This Commitment shall be interpreted in accordance with the laws of the Province of Ontario and the parties hereto hereby attorn to such jurisdiction. This Commitment shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The paragraph and other headings set forth in this Commitment are inserted for convenience and reference only and shall in no way define or limit the intent or interpretation of any of the provisions hereof. This Commitment shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context, and the covenants and agreements of the Borrower and the Covenantor(s) shall be deemed to be joint and several where they or either of them are more than one person. The terms and conditions set forth on any Schedules referred to and attached to this Commitment are deemed to be included in this Commitment and form a part hereof.

34. Borrower and Covenantor Identification: The Borrower and Covenantor(s) acknowledge and agree that the Lender will be complying with *The Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act") and all regulations thereto. Pursuant to the Act, the Lender is required to obtain identification of the Borrower, the Covenantor(s) and any third party involved in the transaction, and for information with respect to the source of funds provided by the Borrower. The Borrower and Covenantor(s) hereby covenant and agree to provide, prior to the any advance under the Loan, such identification and information as may be required by the Lender in order to comply with the provisions of the Act.

In addition to the above, the Borrower and Covenantor(s) shall provide to the Lender particulars of all shareholders, including percentage ownership held, as well as any non-legal beneficial interest. In the case where the Borrower and Covenantor(s) are structured as a partnership or joint venture, particulars of all partners and/or participants are to be provided, including percentages held. Such information is to be supported by satisfactory documentation as determined by the Lender's legal counsel, including without limitation, copies of any (Partnership/Joint Venture/Co-Tenancy/Trust) Agreements, together with any amendments, all in form satisfactory to the Lender's legal counsel.

35. Facsimile and E-mail Transmission: The transmission of an executed copy of this Commitment or any other document by facsimile or e-mail shall be deemed to constitute execution and delivery of an original executed copy, although the Lender may, in its discretion, require originals as well.

36. Counterparts: This Commitment may be executed in counterparts and all counterparts so executed will constitute on agreement binding on the parties effective on execution. Provided further and notwithstanding the foregoing, the failure of any of the Borrower and/or the Covenantor(s) to execute this Commitment shall not be pleaded as an estoppel or a defense to the execution of this Commitment by the others of the Borrower and/or Covenantor(s).

37. Net Closing Proceeds: Net closing proceeds is defined to be the sale price less purchaser deposits

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received by the Lender or utilized in execution of the Project, approved legal fees, sales commissions, inclusive of Harmonized Sales Tax. The Lender, in its sole discretion, reserves the right to disallow legal fees, sales commissions, and Harmonized Sales Tax to be deducted from the net closing proceeds.

38. Fees and Expenses: In addition to interest provided for at the rate set out in the Commitment, the Commitment Fee and reimbursement of all costs and expenses, the Borrower agrees to pay the following and acknowledges that fees are subject to change without notice:

(a) *Service Fees:*

(i) Late Payment Fee: A $300.00 fee on each and every occasion that a payment is not paid when due, if payment is made by cheque dishonoured or not paid for any reason whatsoever;

(ii) Draw Request Fee: A $500.00 fee on the occasion of each and every draw request;

(iii) Legal Sub-search Fee: A $500.00 fee on the occasion of each and every legal sub-search;

(iv) Wire Transfer Fee: A $50.00 fee for all advances made by way of a wire transfer;

(v) Partial Discharge Fee: A $500.00 fee per unit, payable at the time of the Lender granting a partial discharge in relation to the unit together with legal costs and disbursements;

(vi) Letter of Credit Renewal Fee: A fee calculated at 4% of the Letter of Credit amount at time of renewal; and

(vii) The Lender's usual fees and charges as more particularly set out in the Lender's standard mortgage provisions.

(b) *Expenses:* Whether or not the Loan is disbursed, and notwithstanding the retention of the Commitment Fee by the Lender, the Borrower shall pay, immediately upon presentation of invoices, all of the Lender's third-party costs and expenses relating to the Loan, including due diligence and legal costs and expenses, and including costs and expenses, if any, incurred by the Lender due to proceedings under the *Bankruptcy and Insolvency Act (Canada)* relating to the Borrower. To the extent that any such costs and expenses remain unpaid, the subject amount may, at the Lender's option, be deducted from any advance under the Loan or maybe added to the then outstanding principal balance of the Loan and shall bear interest at the same rate as, and be secured in the same manner as the Loan.

39. Anti-Money Laundering Compliance: Pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"), the Lender is required to ask for identification and certain other information regarding the Borrower, the Guarantors (if applicable) and any third party involved in the transaction. The Borrower, each Guarantor (if applicable) and any third party involved hereby covenant and agree to provide such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.

☒ As a client of Morrison Financial I/We agree to receive electronic messages containing news and updates relevant to me/us and/or the mortgage and financing industry. I/We understand my/our consent can be withdrawn at any time.

DS GB DS aT DS 113

This is **Exhibit "3"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

_____

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

THIS AGREEMENT made the 18th day of November, 2021

B E T W E E N:

1817955 ONTARIO LTD.
(hereinafter referred to as the "Debtor")

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION
(hereinafter referred to as the "Secured Party")

1. For valuable consideration the Debtor hereby mortgages, charges, pledges, assigns, transfers, and sets over to the Secured Party, and grants to the Secured Party a security interest to which the Personal Property Security Act, R.S.O. 1990 as amended from time to time (the "PPSA") applies in, the Collateral as hereinafter defined. For the purposes of this Agreement "Collateral" shall mean and refer to all property, assets, and undertaking of the Debtor now owned or hereafter acquired and any proceeds from the sale or other disposition thereof, including without limitation the following:

(a) all goods now or hereafter comprising part of the inventory of the Debtor including but not limited to goods now or hereafter held for sale or lease or furnished or to be furnished under a contract of service or that are raw materials, work in process or materials used or consumed in a business or profession or finished goods;

(b) all goods now or hereafter used or intended to be used in any business of the Debtor (and which are not inventory or consumers goods as defined in the PPSA) including but not limited to fixtures, equipment, machinery, vehicles, and other tangible personal property, whether described in Schedule "A" hereto or not;

(c) all debts, demands, and choses in action which are now due, owing or accruing due or which may hereafter become due, owing, or accruing due to the Debtor, and all claims of any kind which the Debtor now has or may hereafter have including but not limited to claims against the Crown and claims under insurance policies;

(d) all chattel paper now or hereafter owned by the Debtor;

(e) all warehouse receipts, bills of lading, and other documents of title, whether negotiable or non-negotiable, now or hereafter owned by the Debtor;

(f) with respect to the personal property described in subparagraphs (c), (d), and (e) all books, accounts, invoices, letters, papers, documents, and other records in any form evidencing or relating thereto; and all contracts, securities, instruments, and other rights and benefits in respect thereof;

(g) all shares, stock, warrants, bonds, debentures, debenture stock, or other securities and all monies, in whatever denomination, currency or form, other than trust monies lawfully belonging to others now or hereafter owned by the Debtor;

(h) all goodwill, patents, trade marks, copyrights, and other industrial property and all other intangibles now or hereafter owned by the Debtor;

(i) with respect to the personal property described in subparagraphs (a) to (h) inclusive, all substitutions and replacements thereof, increases, additions, and accessions thereto and any interest of the Debtor therein; and

(j) with respect to the personal property described in subparagraphs (a) to (i) inclusive, personal property in any form or fixtures derived directly or indirectly from any dealing with such property or that indemnifies or compensates for such property

destroyed or damaged.

In this paragraph the words "goods", "inventory", "equipment", "chattel paper", "document of title", "instrument", "security", "intangible", "proceeds" and "accessions" shall have the same meanings as their defined meanings in the PPSA. In this Agreement, any reference to the "Collateral" shall, unless the context otherwise requires, refer to "Collateral or any part thereof".

2. The security interest granted hereby secures payment to the Secured Party of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Debtor to the Secured Party or remaining unpaid by the Debtor to the Secured Party, whether arising or remaining unpaid by the Debtor to the Secured Party, whether arising from dealings between the Secured Party and the Debtor or from other dealings or proceedings by which the Secured Party may be or become in any manner whatever a creditor of the Debtor and wherever incurred, and in any currency, and whether incurred by the Debtor alone or with another or others and whether as principal or surety, including expenses under paragraph 5 of this Agreement and all interest, commissions, legal, and other costs, charges, and expenses (all of the foregoing being herein called, and included in, the "Obligations").

3. The Debtor is, or is to become, the owner of the Collateral and has, or will have when the Collateral is acquired, the right to create a security interest in the Collateral in favour of the Secured Party. The Collateral is, or will be when acquired, free and clear of all security interests, mortgages, hypothecates, charges, liens, encumbrances, taxes, and assessments.

4. The Debtor hereby agrees that:

(a) the Debtor shall diligently maintain, use, and operate the Collateral and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and earnings, incomes, rents, issues, and profits thereof;

(b) the Debtor shall cause all of the Collateral which is of a character usually insured by businesses operating Collateral of a similar nature to be properly insured and kept insured with reputable insurers against loss or damage by fire or other hazards of the nature of and to the extent that such Collateral is usually insured by businesses operating Collateral of a similar nature in the same or similar localities and shall maintain such insurance with loss if any payable to the Secured Party and shall deliver to the Secured Party evidence of such insurance satisfactory to the Secured Party;

(c) the Debtor shall pay all rents, taxes, rates, 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 exhibit to the Secured Party, when required, the receipts and vouchers establishing such payments;

(d) the Debtor shall duly observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms, and conditions upon or under which the Collateral is held;

(e) the Debtor shall keep proper books of accounts in accordance with sound accounting practice and the Debtor shall furnish to the Secured Party such financial

information and statements and such information and statements relating to its business and the Collateral as the Secured Party may from time to time require and the Debtor shall permit the Secured Party or its authorized agent at any time at the expense of the Debtor to examine the books of account and other financial records and reports of the Debtor including but not limited to books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom;

(f) the Debtor shall furnish to the Secured Party such information with respect to the Collateral and the insurance thereon as the Secured Party may from time to time require and the Debtor shall give written notice to the Secured Party of all litigation before any court, administrative board, or other tribunal affecting the Debtor or the Collateral;

(g) the Debtor shall not, without the consent in writing of the Secured Party, create any security interest, mortgage, hypothec, charge, lien, or other encumbrance upon the Collateral or any part thereof ranking or purporting to rank in priority to or pari passu with the security interest created by this Agreement;

(h) the Debtor shall defend the title to the Collateral against all persons and shall, upon demand by the Secured Party furnish further assurance of title, further security for the Obligations and execute any written instruments or do any other acts necessary to make effective the purposes and provisions of this Agreement.

5. Upon failure by the Debtor to perform any of the agreements described in paragraph 4 hereof, the Secured party is authorized and has the option to take possession

of the Collateral and to perform any of the agreements in any manner deemed proper by the Secured Party, without waiving any rights to enforce this Agreement. The reasonable expenses (including the cost of any insurance and payment of taxes or other charges and reasonable solicitor's costs and legal expenses) paid by the Secured Party in respect of the custody, preservation, use, or operation of the Collateral shall be deemed advanced to the Debtor by the Secured Party, shall bear interest at the rate equal to the greater of TEN DECIMAL ZERO PERCENT (10.0%) per annum, calculated daily and compounded monthly, not in advance and the rate calculated by adding SEVEN AND FIFTY FIVE HUNDREDTHS PERCENT (7.55%) to the Bank of Nova Scotia posted prime rate of interest (the "Prime Rate") as adjusted from time to time, per annum, calculated daily and compounded monthly, not in advance.

6. At the option of the Secured Party, the Obligations secured by this Agreement shall immediately become due and payable in full upon the happening of any of the following events:

(a) if the Debtor shall fail to pay when due any payment of any of the Obligations secured by this Agreement;

(b) if the Debtor shall fail to perform, observe, or comply with any term, condition, covenant, obligation, or provision of this Agreement or of any other agreement to which the Debtor and the Secured Party are parties or of any promissory note or other document delivered by the Debtor to the Secured Party;

(c) if the Debtor ceases or threatens to cease to carry on its business, commits an act of bankruptcy, is or becomes insolvent, makes an authorized assignment or bulk

sale of its assets, or proposes a compromise or arrangement to its creditors;

(d) if any proceeding is taken with respect to a compromise or arrangement, or to have the Debtor declared bankrupt, or to have a receiver appointed of any part of the Collateral or if any encumbrancer takes possession of any part thereof;

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

(f) if the Secured Party in good faith believes that the prospect of payment or performance is impaired or that the Collateral is in danger of being lost, damaged, or confiscated.

7. If pursuant to paragraph 6 hereof, the Secured Party declares that the Obligations secured by this Agreement shall immediately become due and payable in full, the Debtor and the Secured Party shall have, in addition to any other rights and remedies provided by law, the rights and remedies of a debtor and a secured party respectively under the PPSA and those provided by this Agreement. The Secured Party may take possession of the Collateral and enforce any rights of the Debtor in respect of the Collateral by any manner permitted by law and may require the Debtor to assemble the Collateral and deliver or make the Collateral available to the Secured Party at a reasonably convenient place designated by the Secured Party.

8. Unless not required to do so by applicable law, the Secured Party shall give to the Debtor at least fifteen (15) days written notice of any intended disposition of the Collateral by mailing such notice by registered mail to the last known post office address of

the Debtor.

9. If, pursuant to paragraph 6 hereof, the Secured Party declares that the Obligations secured by this Agreement shall immediately become due and payable in full, the Secured Party may (in addition to any other rights or remedies provided by statute or other law or provided by this Agreement) take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term shall include a receiver and manager) of the Collateral or of any part thereof or may by instrument in writing appoint any person to be a receiver of the Collateral or of any part thereof and may remove any receiver so appointed by the Secured Party and appoint another in his stead; and any such receiver appointed by instrument in writing shall have power

(a) to take possession of the Collateral or any part thereof,

(b) to carry on the business of the Debtor,

(c) to borrow money required for the maintenance, preservation, or protection of the Collateral or any part thereof or for the carrying on of the business of the Debtor, and

(d) to sell, lease, or otherwise dispose of the whole or any part of the Collateral at public auction, by public tender, or by private sale, either for cash or upon credit, at such time and upon such terms and conditions as the receiver may determine; provided that any such receiver shall be deemed the agent of the Debtor and the Secured Party shall not be in any way responsible for any misconduct or negligence of any such receiver.

10. Any proceeds of any disposition of any of the Collateral may be applied by the

Secured Party to the payment of the expenses incurred in connection with the retaking, holding, repairing, processing, preparing for disposition, and disposing of the Collateral (including reasonable solicitor's fees and legal expenses and any other reasonable expenses), and any balance of such proceeds may be applied by the Secured Party towards the payment of the Obligations in such order of application as the Secured Party may from time to time effect. If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the expenses incurred by the Secured Party, the Debtor shall be liable for any deficiency on demand.

11. The Debtor and the Secured Party further agree that:

(a) the Debtor shall not be discharged by any extension of time, additional advances, renewals, and extensions, the taking of further security, releasing security, extinguishment of the security interest as to all or any part of the Collateral, or any other act except a release or discharge of the security interest upon the full payment of the Obligations secured by this Agreement including charges, expenses, fees, costs, and interest;

(b) any failure by the Secured Party to exercise any right set out in this Agreement shall not constitute a waiver thereof; nothing in this Agreement or in the Obligations secured by this Agreement shall preclude any other remedy by action or otherwise for the enforcement of this Agreement or the payment in full of the Obligations secured by this Agreement;

(c) all rights of the Secured Party hereunder shall be assignable and in any action brought by an assignee to enforce such rights, the Debtor shall not assert against

the assignee any claim or defence which the Debtor now has or may hereafter have against the Secured Party;

(d) all rights of the Secured Party hereunder shall enure to the benefit of its successors and assigns and all obligations of the Debtor hereunder shall bind the Debtor, his heirs, executors, administrators, successors, and assigns; and

(e) if more than one person executes this Agreement as Debtor, their obligations under this Agreement shall be joint and several;

(f) this Agreement shall be governed in all respect by the laws of the Province of Ontario;

This Agreement shall become effective when it is signed by the Debtor. The Debtor acknowledges receiving an executed copy of this Agreement.

IN WITNESS WHEREOF the party of the first part has hereunto affixed its corporate seal attested by the hand of its duly authorized officer.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "4"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ASSIGNMENT OF INSURANCE

TO: MORRISON FINANCIAL MORTGAGE CORPORATION (the "Lender")

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. (the "Borrower")

RE: 1817955 ONTARIO LTD. – First Charge to MORRISON FINANCIAL MORTGAGE CORPORATION
Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035) (the "Property")

WHEREAS the Borrower as of the date of this assignment is or may in the future become indebted to the Lender in the total amount of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS ($9,541,546.25) (the "Loan") which is secured pursuant to a mortgage (the "Charge") which will be registered against the Property.

AND WHEREAS the Borrower has agreed to assign to the Lender as additional security for the amounts it has borrowed from the Lender on account of the Loan, all present and future policy or policies of insurance now or hereafter insuring the building, improvements, fixtures and other property situate in, on or under or arising out of or from their interest in the Property including, without limitation, policies of insurance for property damage, loss of rental income and business interruptions, professional liability, general liability, fire and extended peril and boiler and machinery (hereinafter collectively call the "Policies").

NOW THEREFORE in consideration of the Lender making the initial advance under the Loan and the sum of $2.00 paid by the Lender to the undersigned (the receipt and sufficiency of which are acknowledged by the undersigned), the undersigned acknowledge and agree as follows:

1. the Borrower assigns, transfers, and sets over the Policies to the Lender and grants a security interest in the Policies to the Lender together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or any time derived by the Polices or any part or parts thereof (such Policies and all right, title and interest thereto and all proceeds and other amounts in respect thereof or derived therefrom being hereinafter referred to as the "Collateral");

2. the Collateral shall be held by the Lender as a general and continuing security for the payment of the Loan including, without limitation, all present or future, direct or indirect, absolute or contingent, matured or unmatured obligations or other indebtedness of liabilities of the Borrower to the Lender;

3. the issuers from time to time of the Policies are irrevocably authorized and directed to pay to the Lender or as the Lender may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies. Any such proceeds received by the Lender may be appropriated by the Lender from time to time on account of such part or parts of the indebtedness and liabilities owing by the Borrower to the Lender as the Lender may determine to be most advantageous to it. The Lender is expressly authorized to collect, demand, sue for, enforce, recover and receive the proceeds of the Policies and to give valid and binding receipts and discharges therefore, as if the Lender were the absolute owner thereof and without regard to the state of the accounts between the Borrower and the Lender;

4. any proceeds or other amounts collected or received by the Borrower in respect of the Collateral shall be received as trustee for the Lender and shall forthwith be paid to the Lender;

5. the Lender shall not be bound or accountable for any failure to collect, demand, sue for, enforce, recover, receive, realize, sell or obtain payment of the Collateral or any part thereof and the Lender shall not be bound to institute proceedings for any such purpose or for the purpose of preserving any rights of the Lender, the Borrower or any other person in respect thereof and the Lender shall not be responsible for any loss or damage which may occur in consequence of the negligence of any officer, agent or solicitor employed in collection or realization thereof;

6. the Lender may charge on its own behalf and also pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal advice and services) in connection with its doing anything authorized by this assignment or by law;

7. the Borrower shall from time to time forthwith on the Lender's request to do so, make and execute all such assignments, documents, acts, matters and things as be required by the Lender of or with respect to the Collateral or any part thereof or as may be required to give effect to these presents;

8. this assignment shall be a continuing agreement in every respect and shall be binding upon the successors and assigns of the Borrower and shall enure to the benefit of the Lender and its successors and assigns; and

9. the Borrower shall pay all premiums and renewal premiums and other charges necessary to keep each of the Policies in full force and effect and the Borrower shall provide evidence of such payment(s) forthwith upon request by the Lender. The Lender may (but is not required to) at any time and from time to time pay any such premiums or other charges necessary to keep any one of the Policies in force and may add the amounts so paid to the indebtedness owing by the Borrower to the Lender. The Borrower shall indemnify and save the Lender harmless from and against any amounts so paid.

10. this assignment may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

IN WITNESS WHEREOF, the Borrower has executed this assignment at Port Elgin, Ontario, this 13 day of November, 2021.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "5"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ASSIGNMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD.

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

In consideration of the sum of $10.00 paid to us by MORRISION FINANCIAL MORTGAGE CORPORATION, a corporation incorporated under the laws of the Province of Ontario, the receipt of which is acknowledged, we hereby assign to MORRISON FINANCIAL MORTGAGE CORPORATION all of our interest in all municipal approvals and agreements and all construction and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property in connection with the construction of a mixed use condominium comprising a three storey commercial office tower and a four storey 12 unit residential tower complimented by underground parking and surface level parking (the "Project") in accordance with loan agreement dated and accepted October 26th, 2021 attached hereto as Schedule "A".

Dated at Port Elgin, Ontario this 18 day of November, 2021

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

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Morrison
Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

Writer's Extension: 117
Writer's Email: msolda@morrisonfinancial.com

October 26, 2021

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON
L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd. for the construction of 1020 Goderich Street, Town of Port Elgin ON

This letter replaces the commitment letter dated September 29, 2021, between Morrison Financial Mortgage Corporation and the Borrower which has expired and thus is null and void.

Morrison Financial Mortgage Corporation ("the Lender") is pleased to offer to the undersigned Borrower(s) a commitment to provide a first mortgage loan ("the Loan") upon the security and subject to the following terms and conditions:

1. **BORROWER**: 1817955 Ontario Ltd. ("the Borrower").

2. **COVENATORS**: Andrew Hill ("the Covenantors"). It is intended that the Covenantors shall be guarantors and joint covenantors, liable as principals for repayment of the debt, and not merely as surety.

3. **SECURED PROPERTY**: Those lands and premises known municipally as 1020 Goderich Street, Town of Port Elgin and described legally as Pt Park Lot 18 Plan 111; Town of Saugeen Shores – PIN 332680819, and such other properties that are or will become part of the project, and such description(s) to be subject to confirmation by counsel ("the Property").

4. **PURPOSE**: The project (hereinafter described as "the Project") that is the subject of this financing includes the demolition of an existing structure on the subject site and subsequent construction of a mixed-use condominium building. The mixed-use condominium plan is a proposed 3-storey commercial office space and 4-storey 12-unit residential condominium complimented by underground parking and surface level parking. The residential space will

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include one elevator and the commercial space will include one elevator. The purpose of the Loan will be to provide for hard and soft construction costs on a cost-to-complete basis, all in accordance with the budgets, cash flow presentation, plans, site plan specifications and other information supplied or to be supplied by the Borrower (collectively, the "Business Plan").

The Lender understands that both the commercial and residential aspects of the Project will be completed concurrently.

This Commitment is based upon the following Source and Use of Funds and Revenue statements which forms the basis of the Business Plan provided by the Borrower:

Sources of Funds	**$**
Borrower Equity	$1,643,572
Purchaser Deposits	$950,066
Deferred Costs	$157,770
Facility 1: MFMC Loan	$7,313,179
Facility 2: MFMC Mezz. Loan	$320,058
Total Sources	**$10,384,645**

Uses of Funds	**$**
Total Land Costs	$550,000
Total Site Servicing Costs	$417,798
Total Soft Costs	$1,134,252
Total Hard costs	$6,703,676
Total Financing Costs	$1,263,379
Sales Commission	$315,540
Offsetting Income	$0
Total Uses	**$10,384,645**

Revenue Plan	**$**
Commercial - 1st Floor (HST Excluded)	$1,764,070
Commercial - 2nd Floor (HST Excluded)	$1,921,310
Commercial - 3rd Floor (HST Excluded)	$2,421,000
Residential	$5,763,000
HST on Residential Only	$(405,749)
Parking (HST Excluded)	$180,000**
Storage Lockers (HST Excluded)	$403,390**
Total Net Revenue	**$12,047,021**

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The Borrower asserts that it has assembled a competent team to develop and deliver this project, including legal implementation, marketing, project design, architecture, cost consulting, construction management, and accounting disciplines. An ongoing condition of the Loan is that the Borrower will engage and empower competent professionals for the entire duration of the Project as required to see through to its successful completion. A demonstrable failure to do so, that remains un-remedied after ten (10) days written notice from the Lender, shall be an event of default.

5. PARTICULARS OF THE LOAN

Loan Amount: The Loan shall be for an amount up to a maximum of **$7,633,237**. This amount has been determined in accordance with the Business Plan and remains subject to adjustment from time to time. Initially, as the result of our review during the pre-funding, due diligence stage, and thereafter in accordance with actual financial performance as the Business Plan is being executed.

The Lender understands that the Borrower will arrange for letters of credit (LCs) from their own resources, if applicable. If the Borrower requires LCs to be arranged by the Lender, then the Lender will consider providing a suitable financing facility as part of a new Facility.

Our goal throughout the project will be to ensure the Loan to Liquidation Value (LTLV) shall not exceed seventy Percent (70%), calculated according to the formula defined below, where all amounts shall be net of HST. Letters of credit amounts, if applicable, are not included in the LTLV calculation.

$$LTLV = \frac{LA + CTC}{U - D}$$

Where:

LA = Amounts outstanding under the Loan, not including LC amounts
CTC = Cost to complete plus the accumulated net holdback retained in accordance with the Construction Act, R.S.O. 1990, c. C.30 ("the Construction Act") and other priority payables
U = Value of units owned by the Borrower and in the Project,
D = Deposits used in the Project and deferred costs.

Financial and Administrative Terms:

a. *Interest Rate:*

i. *Facility 1:* Floating at a greater of nine percent (9%) per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest (the "Prime Rate") as adjusted from time to time plus six and fifty-five one-hundredths of one percent (6.55%) per annum, interest only, calculated daily, compounded and due monthly.

ii. *Facility 2:* Floating at a greater of ten percent (10%) per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest (the "Prime Rate") as adjusted from time to time plus seven and fifty-five one-hundredths of one percent (7.55%) per annum, interest only, calculated daily, compounded and due monthly.

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b. *Term*:

   i. *Facility 1:* Twenty-Four (24) months from the Interest Adjustment Date.

   ii. *Facility 2:* Twelve (12) months from the Interest Adjustment Date.

c. *Amortization*: Not applicable, interest only.

d. *Interest Adjustment Date*: The first day of the month immediately following the month in which the first advance is made.

e. *Interest Payments*: Interest shall be due and payable monthly, not in advance, on the first day of each and every month during the term. It shall be calculated daily and compounded monthly on each payment date on the total of the principal balance plus accrued interest outstanding on the payment date. Interest shall be calculated and payable as set out herein until the Loan is repaid in full.

f. *Interest Reserve*: $679,742 on account of Facility 1 and $30,262 on account of Facility 2. The amount is based on estimates in the Business Plan provided by the Borrower of what will be required to cover the accrued interest due on each payment date and interest expected to accrue prior to completion and repayment of the Loan. Interest shall accrue monthly and be added to the principal balance with interest accruing on all such amounts in accordance with the Business Plan. The Lender, in its sole discretion, reserves the right to stop advancing from the interest reserve, and require the Borrower to commence making monthly payments where it appears that the reserve may be insufficient to cover interest costs until completion and repayment of the Loan in full.

g. *Prepayment Privilege*: None. This mortgage is closed, subject to Section 5 h.

h. *Partial Discharges*: It is anticipated that repayment of the Loan will be made from the sale of completed units in the Project. All net closing proceeds from such sales shall be directed to the Lender whom, upon receipt, shall reduce the balance of the Loan accordingly. The Lender will then provide a partial discharge in order to facilitate completion of the sale. "Net closing proceeds" means the sale price less purchaser deposits received by the Lender or utilized in execution of the Project, approved legal fees, property tax, net of Harmonized Sales Tax. Deferred sales commissions will be paid by the Borrower after repayment of the Loan. 100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 2*, secondly to repay Facility 1 and thirdly, to cash secure any outstanding letters of credit, if applicable.

   *Note: The Borrower shall repay the mezzanine facility (Facility 2) from its own resources, in payments of $30,000 or greater, prior to the second advance and each subsequent advance of the Loan. This Facility 2 shall be completely repaid by the Borrower prior to its end of Term through such prepayments.

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i. *Letters of Credit*: The Borrower acknowledges and confirms that the any Letter of Credit, required by the Town of Port Elgin, will be financed by the Borrower from its own resources and is not included in the Business Plan.

j. *Purchaser Upgrades:* Any agreement for the provision of upgrades within a purchase and sale agreement or amendment thereto shall be accompanied by a deposit from the purchaser in the amount of not less than 50% of the sale price of such upgrade. The Lender will provide for financing of purchaser upgrades pursuant to Facility 1 provided that such upgrades are approved by the Lender, included in the Business Plan, accretive to the Project and each purchaser is able to demonstrate his or her ability to pay for such upgrades. All revenue from purchaser upgrades, including deposits, shall be submitted to the Lender on account of Facility 1.

6. **COMMITMENT FEE:** The Borrower and Covenantors acknowledge and agree that forthwith upon acceptance of this Commitment, the Lender shall be deemed to have earned its non-refundable commitment fee (the "Commitment Fee") in the amount of **$203,026.** This amount represents compensation to the Lender for its efforts and expenditures by its officers, agents and employees in the review and study of documentation pertaining to this transaction, review of appraisals, credit reports, financial statements and other data and physical inspections of the subject matter of the Security Documents. The Commitment Fee is in addition to the Borrower's obligation to pay all legal costs of this transaction as may be charged by the Lender's solicitors. The Borrower and Covenantors further acknowledge and agree that the Commitment Fee shall represent compensation to the Lender only in respect of the original term of the Loan stipulated herein. Any extension or renewal of the Loan if required for any period beyond such original term shall be subject to such additional fees as may be agreed between the Borrower and the Lender.

   The Lender acknowledges receipt of $40,000.00 on account of the commitment letter dated January 8, 2020 and will apply this amount as a credit towards the Commitment Fee now due on account of this Commitment Letter. The balance of the Commitment Fee shall be payable at the time of the initial advance of funds, shall be advanced under Facility 1, withheld by the Lender as payment, and such advance shall bear interest from that date.

7. **BROKERAGE FEE**: 2.0% of the Loan amount or any amount agreed to by the Borrower and the Broker and accepted by the Lender to form a part of the Business Plan, to be stipulated in the letter of direction to be provided by the Borrower. This amount will be payable by the Lender on behalf of the Borrower and will be added to the Loan balance, as depicted in the Business Plan, at the time of first advance of the Loan.

8. **SECURITY**: As security for the Loan, the following documents, instruments, agreements and other assurances (collectively the "Security Documents") shall be delivered, all in form and substance satisfactory to the Lender and its solicitors, to the Lender prior to the first advance of funds:

   a. First freehold mortgage and charge of the Property for 125% of the Loan Amount;

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b. First general assignment of all leases, rents, income and profits arising from or in connection with the Property;

c. Security interest (by way of General Security Agreement or other instrument required by the Lender or its solicitors) having first priority over any and all personal property used in connection with or arising from or out of the Property. This includes, without limitation, all inventory of whatever kind and wherever situate, all equipment, machinery, apparatus, plant, furniture, fixtures and vehicles now or hereafter situate at or used in connection with the Property, all book debts and accounts now or hereafter due, owing or accruing from the Property, all books, records, financial statements and other documents of title, all contractual rights, insurance claims and goodwill and all income, monies, receipts and profits of any nature or kind whatsoever now or hereafter arising;

d. Unconditional and unlimited covenant, guarantee and assignment and postponement of claims from each Covenantor on a joint and several basis, as principal debtor and not merely as surety;

e. Assignment of Insurance Proceeds in accordance with the provisions set forth herein;

f. Assignment of the Borrower's rights and interest (but not the Borrower's obligations) in all municipal approvals and agreements and all construction and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property in connection with construction thereon of the Project;

g. Assignment of the Borrower's rights and interest (but not the Borrower's obligations) under all Agreements of Purchase and Sale whereby the Borrower or persons on its behalf have sold the property or any part thereof to *bona fide* arm's length purchasers thereof for value, executed true copies of such Agreements of Purchase and Sale shall be submitted to the Lender as set out above and shall be subject to the Lender's approval;

h. Cost overrun guarantee from the Borrower and the Covenantors;

i. Assignment of the Borrower's right, title and interest in the Letters of Credit or other security filed with all municipal authorities and agencies and any amounts on deposit with the Borrower's bank or other financial institution which provide security for the Letters of Credit. In this regard the Lender shall have a first priority security interest and the Borrower shall provide such further documentation that the Lender and its counsel require including an acknowledgment from the Borrower's bank that the Lender is entitled to delivery of these funds in accordance with the provisions herein and directions to all appropriate parties. In the event that the Loan has been repaid and the Lender has discharged its security in the Property, and a municipal authority returns to the Lender cash security relating to the Project, the Lender shall promptly forward such monies to the Borrower;

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j. Covenant from the Borrower and Covenantors not to withdraw equity from the Project until the Loan is repaid in full;

k. Specific assignment of the Borrower's interest in all leases or contracts to lease any portion of the Property including assignment of the leases;

l. Assignment of future condominium voting rights, if applicable;

m. Postponement of all shareholder loans;

n. Environmental indemnity of the Borrower and Covenantor; and

o. Such other documents, instruments, agreements, things or security required or contemplated by this Commitment or as counsel may advise is reasonable having regard to this type of transaction.

9. **PRECONDITIONS TO FUNDING**: At least 30 days prior to the initial advance of funds under the Loan, the Borrower shall, at its own expense, provide to the Lender and/or comply with the following:

a. *Appraisal:* A current appraisal of the Property, in form and content acceptable to the Lender, (not older than thirty (30) days) prepared by an appraiser approved by the Lender and who is an AACI member of the Appraisal Institute of Canada or other recognized association or institution of appraisers, as approved by the Lender, demonstrating *as-is* and *as-complete* values of the Property to be not less than $550,000 and $11,928,756 respectively or pre-sales in place will be accepted thereof provided that such pre-sales support the Revenue Plan as defined herein and in the Lender's sole discretion (residential inclusive of HST and all other product exclusive of HST).

The said appraisal shall be addressed to the Lender and such other person, if any, as the Lender may direct and be satisfactory to the Lender in form, content and scope in its sole and absolute discretion;

b. *Pre-Sale Threshold Requirements:* Confirmation that the Borrower has entered into binding agreements of purchase and sale to arm's length bona fide creditworthy purchasers, each one to a unique and individual person or entity, and each one demonstrating their ability to close respecting not less than sixty-eight percent (68%) of the revenues from the sale of condominium units (commercial units, residential units, covered parking spaces or storage lockers), resulting in an aggregate sale price of **$8,200,000** (including HST on residential units, net HST on all other units) and meeting the requirements of Sections 9.c and 9.d below. All pre-sales referenced for the purpose of this sub-clause shall be at prices not less than those specified in the appraisal and the Business Plan.

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c. *Residential Unit Pre-Sales:* Confirmation that deposits of not less than 10% percent of the aggregate sale price has been collected prior to first advance under the Loan and 15% of the aggregate sale price has been contracted to be received within one-hundred eighty (180) days of signing of the agreements of purchase and sale. In the case where a purchaser has a beneficial interest in more than one residential unit, then the Lender will permit such unit(s) to apply for the purposes of the preceding calculation, provided that contracted deposits of 25% rather than 15% are due to be paid within one-hundred eighty (180) days of signing of the agreements of purchase and sale with 15% received prior to first advance of the Loan. However, the Lender shall retain its discretion to disallow any such purchase of a unit to be included in the preceding calculation if it has reasonable grounds to do so;

d. *Commercial Unit Pre-sales:* Confirmation that deposits of not less than 20% percent of the aggregate sale price has been collected prior to first advance under the Loan and 25% of the aggregate sale price has been contracted to be received within one-hundred eighty (180) days of signing of the agreements of purchase and sale. In the case where a purchaser has a beneficial interest in more than one commercial unit, then the Lender will permit such unit(s) to apply for the purposes of the preceding calculation, provided that contracted deposits of 30%* rather than 25% are due to be paid within one-hundred eighty (180) days of signing of the agreements of purchase and sale with 25% received prior to first advance of the Loan. However, the Lender shall retain its discretion to disallow any such purchase of a unit to be included in the preceding calculation if it has reasonable grounds to do so;

**Pre-existing multi-commercial unit purchases entered into prior to June 1, 2021 shall be permitted subject to confirmation that deposits of not less than 20% percent of the aggregate sale price has been collected prior to first advance under the Loan and 25% of the aggregate sale price has been contracted to be received within one-hundred eighty (180), in the Lender's sole discretion.*

For additional clarity, and for the purposes of evaluating the creditworthiness of purchasers in this section 9, the Lender will review each purchasing parties' financial statements, rationale for purchasing the unit and consider the net worth of beneficial owners of any special purpose entity acting as a purchaser, whose owners shall be required to provide guarantees. Qualification of purchasers' ability to close will be determined in the Lender's sole and unfettered discretion;

e. *Prior-ranked Agreements:* Review and acceptance by the Lender of any applicable agreements, and amendments thereto, between the Borrower and a prior ranking mortgage holder, and approval of these agreements in the Lender's sole and absolute discretion;

f. *Deposits:* Confirmation, to the Lender's satisfaction, that all deposits received are either held by the Borrower's legal counsel in trust, held by the Lender in trust, or used to reduce any balance under the Loan as the case may be, or released for use in the project as detailed in the Business Plan;

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g. *Equity Requirement:* Confirmation the Borrower has invested all equity into the project as detailed in the Business Plan;

h. *Construction Management:* The Borrower's construction management team, shall be selected or approved by the Lender in its sole and absolute discretion;

i. *Covenantor Financial Disclosure:* Completed statements of net worth for all personal Covenantors, financial statements accountant-prepared according to GAAP for all corporate Covenantors and approval of same in the Lender's sole and absolute discretion;

j. *Zoning and Site Plan Approval:* Confirmation that the Borrower is in compliance with the terms and conditions of the development agreement and site plan agreement, has obtained all approvals necessary to lawfully allow the Project to proceed, and is in a position to obtain permits and licenses, all satisfactory to the Lender in its sole discretion;

k. *Preliminary Review and Approval of Business Plan, Budget, etc:* The Borrower's Business Plan, budgets and all relevant costs shall have been reviewed and approved by a duly qualified architect, engineer, quantity surveyor, project monitor, cost consultant or other consultant (the "Cost Consultant") selected or approved by the Lender, with results satisfactory to the Lender and the Cost Consultant in their sole discretion;

l. *Municipal Security:* The Borrower acknowledges and confirms that all municipal security required by the City and the Region, external to the Business Plan, have been or will be paid by the Borrower from its own resources and is not included in the Business Plan;

m. *Legal Retainer*: The Lender acknowledges receipt of a $10,000 Legal Retainer provided by the Borrower;

n. *Subordination and Standstill Agreement:* Confirmation that any and all parties with mortgage security registered against the Property have agreed to execute a subordination and standstill agreement, in the Lender's standard form;

o. *Site Inspection:* Satisfactory site inspection of the Property and approval by the Lender in its sole and absolute discretion;

p. *Fixed Price Contracts:* Confirmation that the Borrower has entered into a fixed price contract or contracts covering 100% of the site servicing costs of the Project and at least 70% of costs to be incurred respecting the construction of the Project with a general contractor and/or contractors approved by the Lender in its sole and absolute discretion;

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q. *Bonding:* Confirmation that the general contractor and any major subcontractor or other contractor has obtained price and performance bonding respecting the construction contract and the Project upon terms and conditions satisfactory to the Lender in its sole and absolute discretion. A contractor will be considered "major" if the contract is for twenty percent (20%) of the overall cost or more. The Lender may, in its absolute and sole discretion, waive the requirement for bonding where the general contractor or subject major contractor is clearly bondable and creditworthy by reference to objective and publicly available evidence; and

r. *Articles of Incorporation:* The Borrower must provide all articles of incorporation for its organization.

10. **ADVANCES**: The Lender shall not be obliged to make any advance under the Loan unless and until the Borrower and Covenantors have complied with all of the terms and conditions of this Commitment. The Lender shall be entitled, and is hereby authorized, to deduct from any advance the amount due or to become due for interest from the date of such advance to the Interest Adjustment Date or next regular payment date, and the aggregate of all amounts owing for accrued and unpaid interest, fees of any nature or kind whatsoever including the Commitment Fee, appraisal fees, consultant's fees and the legal fees and disbursements of the Lender's solicitors, and all other amounts, costs and expenses incurred by the Lender in connection with the Loan.

Advances of the Loan will be completed in stages as construction of the Project is completed, provided that:

a. The Lender shall not be required to make advances more frequently than monthly or in amounts less than $500,000 (except for the final advance of funds);

b. The amount available from time to time under the Loan after giving effect to any advance, shall not exceed 100% of the cost of work in place as substantiated and certified by the Cost Consultant. All Cost Consultant fees and charges respecting advances shall be paid by the Borrower;

c. The LTLV, after giving effect to any such advance, shall in the aggregate not exceed the percentages stipulated in Section 5. Again, the Lender will use in good faith the periodic reports of the Cost Consultant, but the Lender's discretion to adjust amounts where it deems appropriate shall at all times remain unfettered;

d. The un-advanced principal balance of the Loan, after giving effect to any such advance, shall not exceed the cost to complete the Project as determined and certified from time to time by the Cost Consultant;

e. The Lender shall not be obliged to make any advance except in strict accordance with the provisions of the Construction Act. Amounts held back by the Lender represent "at risk" money to the Lender and as such will accrue interest at a rate equal to one half of the Interest Rate applicable to the Loan. Upon each advance, a 10% holdback

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will be retained until:

i. Sixty (60) days have passed after substantial completion of the Project;

ii. The Lender has been presented with a statutory declaration detailing substantial completion as defined in, and in accordance with, the Construction Act;

iii. The Lender has been presented with evidence that proper trade publishing has been completed; and

iv. The Lender and its counsel are satisfied that the requirements of the Lien Act have otherwise been met.

f. Administrative preconditions to each advance shall be:

i. a sub-search of title demonstrating that no construction liens or other encumbrances have been registered against the Property except as permitted herein;

ii. that, at the Lender's election, it or its representative has made a site inspection;

iii. that the Borrower has provided, at its own expense, and the Lender has received up-to-date information which will include a satisfactory report from the Cost Consultant confirming that the remaining un-advanced funds under this Loan are sufficient to complete the construction as set out herein and that the work done to date has been completed substantially in accordance with the plans and specifications as set out in the Business Plan. The Borrower and Covenantor shall be responsible for all cost overruns and jointly and severally agree to fund such overruns from their resources immediately upon it being discovered and prior to any further advance; and

iv. that the Borrower has provided a statutory declaration confirming that all trades have been paid to date or will be paid for work completed to date from the advance.

g. Funds under this facility will normally be advanced to the Borrower but the Lender reserves the right to pay the general contractor or any contractors directly where it believes that the same is necessary or desirable in the prudent management of its risk. Prior to each advance the Borrower will provide a statutory declaration confirming that all trades have been paid to date or will be paid for work completed to date from the advance. No funds are to be used for any purpose other than for the costs relating to the Project;

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h. Facility 2 shall be advanced firstly, and once completely drawn, per the Business Plan, then Facility 1 shall be advanced; and

i. While Facility 2 is outstanding, the Lender shall confirm that prior to each subsequent advance following the initial advance of funds, the Borrower has prepaid Facility 2 by $30,000 or more.

11. **COST OVERRUNS:** Any amount required for advancement of the Project which, if funded by the Lender, would require an exposure by the Lender beyond the percentages referred to in Sub-clause(s) 9 (b), (c) and (d) above, or that constitutes a material item not depicted in the Business Plan, shall be deemed a "cost overrun", to be immediately funded by the Borrower and/or the Covenantor(s). Failure of the Borrower and/or the Covenantor to fund any cost overrun within a reasonable time, and in any event within ten (10) days after demand by the Lender, shall be an event of default under this Commitment.

12. **FURTHER ASSURANCES:** The Borrower agrees to act in honesty, good faith and reasonably to do all things and sign all documents necessary to give effect to the terms and conditionals of this letter in accordance with their plain meaning, spirit and intent. This includes proceeding expeditiously in doing all things necessary to meet the pre-conditions for funding each facility described herein.

13. **SYNDICATION**: The approval of this Loan will be subject to the Lender's ability to obtain financing partners, where necessary.

14. **NOTICES**: Any notice, direction or other instrument required to be given under this Commitment shall be sufficiently given if given as follows:

a. To the Borrower, by delivery of the same to any director, officer or agent of the Borrower either personally delivered or transmitted by registered mail or facsimile transmission addressed to the Borrower at its registered address for service, or at the address set out below:

1632 Concession 12 RR#1,
Port Elgin, Ontario N0H 2C5

b. To the Lender, by delivery of the same to the Lender either personally delivered or transmitted by registered mail or facsimile transmission to such address for service provided by the Lender from time to time, which, until notice is given otherwise, shall be the following address:

8 Sampson Mews, Suite 202
Toronto, ON M3C 0H5

c. To the Covenantor(s), by delivery of the same to the Covenantor(s) either personally delivered or transmitted by registered mail or facsimile transmission to such address for service provided by the Covenantor(s) as indicated on the signing page(s).

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15. **EXPIRY AND CANCELLATION**: The Lender shall have the right at its sole option to terminate this Commitment, to demand repayment of the Loan or to add to/modify the conditions set out herein (acting reasonably) if the conditions of this Commitment are not met or if there is, in the opinion of the Lender or its solicitors, a material adverse change in the risk, the value of the security or the covenants required herein, if the representations by the Borrower are not correct, or if the security has been impaired. The Lender shall also have the right, at its option, to terminate this Commitment or to demand repayment of the Loan if:

    a. the Security Documents are not registered by the first day of November 19, 2021;

    b. the first advance of funds is not made by the first day of November 30, 2021; or

    c. the final advance of funds is not made by the last day of November 30, 2023 or 24 months after the date of first advance under the Loan.

16. **ACCEPTANCE**: This Commitment shall remain open for acceptance by the Borrower and each Covenantor, in the manner herein specified, until 3:00 PM on the **1st day of November 2021**. After which time, if not accepted, the Lender's offer to finance set forth in this Commitment shall be null and void and the Lender shall be under no further obligation to extend or consider financing for the Borrower and the Lender shall not be responsible for any direct or indirect costs or damages incurred by the Borrower in consequence thereof. Acceptance of this Commitment shall have been properly completed when this Commitment, duly executed by the Borrower and each Covenantor and the Commitment Fee and Standby Deposit (if any) are received by the Lender on or before the date and time herein stipulated.

17. ***MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT 2006***: The Borrower acknowledges having received and/or executed a Borrower Disclosure in accordance with the provisions of the *Mortgage Brokerages, Lenders and Administrators Act 2006* at least forty-eight (48) hours prior to signing this Commitment and a copy has been retained by the Borrower.

18. **SCHEDULES:** The following attached Schedule form a part of this Commitment:

    Schedule "A" – Morrison Financial Standard Terms and Conditions

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

DocuSigned by:
Graham Banks
B212C59A92A444C...

Graham Banks, CFA
Senior Vice President

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Per: DocuSigned by:
0230DF4D8341403...

Alex Tveit,
Vice President

E. & O. E.

ACCEPTANCE

THE UNDERSIGNED hereby accept the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin this 10/26/2021.

1817955 Ontario Ltd.
Per:

DocuSigned by:
Andrew Hill
5CA288AE00FB47C...
Name: Andrew Hill
Title:
I/We have authority to bind the Corporation.

AS COVENANTORS

Per:

DocuSigned by:
Andrew Hill
5CA288AE00FB47C...
Name: Andrew Hill

1632 Concession 12, Port Elgin ON
Address for Service

In his personal capacity.

This is Page 14 of a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, regarding the provision of a $7,633,237 mortgage loan.

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Schedule A

Morrison Financial Standard Terms and Conditions

1. **Conditions of Advance:** The Lender shall not be obliged to make any advance under the Loan unless, at the Borrower's sole expense, it has complied with the following conditions and the Lender has received and approved the following documents and matters in form and substance satisfactory to the Lender and its solicitors:

   (a) *Survey:* As soon as is reasonably possible, but in any event sufficiently in advance of the initial disbursement of funds so as to enable the Lender's solicitors to obtain clearance of same from the relevant municipal authorities, the Borrower shall provide the Lender with an up-to-date survey of the Property prepared by a licensed Ontario Land Surveyor, and showing:

      (i) all encroachments, easements and rights-of-way;

      (ii) the dimensions, boundaries and square footages of the Property;

      (iii) the location of all buildings and improvements on the Property, their dimensions and distance from the lot lines;

      (iv) particulars of adjacent properties and access to and from public highways; and

      (v) all other particulars required to be shown on a survey prepared for lands situated in the Province of Ontario.

   The survey must bear the name, address and signature of the surveyor, his official seal and licence number (if any, or both), the date of the survey and have thereon a Surveyor's Certificate in the form and content required for surveys prepared in the Province of Ontario.

   (b) *Insurance:* Not less than five (5) days prior to registration of the Security, the Borrower shall provide to the Lender originals or copies certified by the insurers of:

      (i) Builders all-risk insurance, broad form boiler and machinery, in an amount approved by the Lender, rental loss insurance, flood, earthquake and building bylaws insurance and any and all other insurance coverages for the Property which the Lender may, in its sole discretion, require from time to time;

      (ii) Comprehensive general liability insurance against loss from liability imposed by law as owner and/or landlord of the Property resulting from personal injury or death, and damage to or loss of property, of any person, in an amount approved by the Lender on a single occurrence basis;

      (iii) Insurance against loss of rent, rental value and other payments required to be paid or made by tenants, or loss of income and profits from the business carried out on the Property from at least those risks covered by the insurance herein required and under which the period of indemnity will be not less than twelve months, and to the extent of not less than 100% of such loss of gross rent or rental value, or income value from time to time with no co-insurance provisions;

      (iv) Title insurance including Super Priority Lien coverage; and

      (v) Any and all other insurance coverages which the Lender may in its sole discretion require from time to time.

   All policies of insurance shall name the Lender as Co-insured and First Loss Payee and be subject to review and approval by an insurance consultant retained by the Lender for such purpose, and the Borrower agrees to pay for the consultant's fees in connection with such review. This shall include any subsequent change in the insurance policy made by the Lender. The Borrower acknowledges that the foregoing represents only the minimum insurance requirements of the Lender and shall not be construed as a recommendation or opinion by the Lender as to the full scope of insurance which may be required

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by a prudent owner of the Property, and the Borrower is hereby advised to govern itself accordingly in that regard.

(c) *Financing and Operating Statements:* The Commitment assumes the accuracy of the information previously supplied by the Borrower and presupposes no material adverse change in the Borrower prior to the disbursement of the Loan. In addition, so long as any amount remains owing to the Lender, the Lender shall be entitled to receive from the Borrower, and each of the corporate Covenantor(s), at no cost and in a proper accounting format or compilation, the following information:

(i) *Quarterly, no later than the 30th day after each quarter end:* Financial reports, including the balance sheet and statement of income for the quarter and on a year-to-date basis, with details of accounts payable and all priority payables, certified as accurate by an appropriate corporate officer;

(ii) *Within Ninety (90) days after the end of each fiscal year:* An annual operating statement in respect of the Property and the Borrower for the immediately preceding fiscal year setting forth the gross sales revenues, rents and other income derived from the Property, the costs and expenses of operation and maintenance of the Property, and such other information and explanations in respect of the same as may be required by the Lender;

(iii) *Within Ninety (90) days after the end of each fiscal year of the Borrower and each Covenantor which is a corporation:* The annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Lender;

(iv) *Within Thirty (30) days after each anniversary of the date of the Commitment:* From each Borrower and Covenantor(s) who is an individual an annual updated net worth statement of in such form and including such content and other information and explanations as may be required by the Lender; and

(v) *As requested from time to time:* Such further or other information as the Lender may reasonably require in the monitoring and management of its risk.

All operating and financial statements shall be prepared at the expense of the Borrower and in accordance with generally accepted accounting principles applied on a consistent basis. Annual statements shall be prepared by a duly qualified chartered accountant or certified public accountant which is acceptable to the Lender, on a review engagement basis, and the completeness and correctness of such statements shall be supported by an affidavit of an authorized officer of the Borrower or Covenantor(s), as the case may be.

(d) *Leases:* All agreements to lease, leases, rents, income and profits arising from or in connection with the Property, and all renewals, amendments, assignments or other agreements relating to same (collectively the "Leases") shall be submitted to the Lender for its review and approval prior to the initial advance, if not approved by the Lender prior to issuance of this Commitment. All Leases entered into after execution of this Commitment shall be subject to the review and approval of the Lender. The Borrower shall not collect any amounts due under the Leases for rents or otherwise in advance, other than last month's rent due under any of the Leases and shall not waive, release, reduce or discount any such rents or other charges due under the Leases and shall not consent to any assignment of the Leases or subletting thereunder without the prior written consent of the Lender. Prior to advance of funds and every Sixty (60) days thereafter for so long as the Loan remains outstanding, the Borrower shall provide to the Lender a detailed list of all current tenants, rentals and other income of the Property. Prior to the initial advance, at the Lender's sole discretion, the Borrower shall deliver to the Lender sufficient executed copies of a form of notice to each of the tenants under the Leases advising them that the Leases have been assigned as security for the Loan and directing them to recognize the rights of the Lender pursuant to the Security Documents and/or at law, provided that the Lender shall not collect rents under the Leases unless and until there is default by the Borrower under the Loan. The Lender

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shall be entitled to deliver such notices to each tenant forthwith after completion of the initial advance. All Leases shall be subordinated to the rights of the Lender under the Security Documents.

(e) *Corporate Authority:* Prior to advance of funds, each Borrower and Covenantor(s) which is a corporation shall provide to the Lender such documentation as is reasonably satisfactory to the Lender and its solicitors evidencing its valid corporate existence and subsistence, and power and authority to enter into the transaction contemplated by this Commitment and execute and deliver the security required hereunder, including, without limitation, a certificate of status, a certificate of non-restriction, a certified resolution of the board of directors, a certificate of incumbency disclosing all directors, officers and shareholders, and a corporate opinion given by the solicitors for each such corporation in form and content reasonably satisfactory to the Lender and its solicitors.

(f) *Status Certificates:* Where the Property is a registered condominium, a registered condominium, delivery to the Lender of a duly completed Status Certificate in accordance with the *Condominium Act, 1998*, as amended or replaced from time to time.

(g) *Environmental Assessment:* Delivery to the Lender of a professionally prepared report or other evidence satisfactory to the Lender (addressed to the Lender) confirming that the Property is not affected by any Hazardous Substance as defined herein, such report to be in the form of a Phase I Environmental Audit or at the Lender's sole option prepared in accordance with such other standard or criteria as may be specified by the Lender. The Borrower agrees to comply with the findings of the Phase I Environmental Audit, and subsequent Audits, with respect to the recommendation of conducting further Audits.

(h) *Soil Tests:* Delivery to the Lender of a professionally prepared soil test and a geotechnical report and such other reports or other evidence (addressed to the Lender) satisfactory to the Lender and its Costs Consultant confirming that the soil tests and other tests and examinations of the Property are satisfactory for construction and completion of the Project.

(i) *Plans, Specifications and Budgets:* Delivery to the Lender copies of all relevant plans, specifications, working drawings, a pro-forma cash-flow presentation and budgets pertaining to the construction and completion of the Project (collectively the "Project Documents"), together with a certificate from the Borrower's architect confirming that same accurately represent all material details of the Project and that the said pro-forma cash-flow presentation and budgets constitute an accurate representation of the anticipated cost of the Project allowing for reasonable contingencies. All Project Documents shall be subject to review and approval by the Lender and the Costs Consultant in their sole and absolute discretion. The Costs Consultant shall confirm all relevant matters pertaining to the Project Documents, including, without limitation, that construction of the Project in accordance with the said plans and specifications will conform with all applicable laws, by-laws and regulations and that the said budgets are sufficient to allow completion of the Project in accordance with the said plans and specifications. The Borrower shall be given an opportunity to pre-approve the Costs Consultant's fees and expenses, if any, with respect to its review and report.

(j) The Lender retains the right to request that confirmation of the work performed to date include account statements obtained directly from contractors and subcontractors confirming amounts owed as at the subject date. Such statements, if requested, shall be submitted with the corresponding draw request.

(k) *Building Permits, etc.:* Delivery to the Lender of evidence that the Borrower has obtained all zoning approvals and the necessary licenses and permits so as to enable commencement and completion of the Project and that same are in good standing in all respects. In addition, the Borrower shall provide satisfactory evidence that all development charges, fees and levies have been paid in full.

(l) *Agreements of Purchase and Sale:* Delivery to the Lender of true copies of all agreements of purchase and sale respecting all pre-sales including a deposit schedule with copies of all cheques received and held as per the deposit schedule. An amendment to a purchase and sale agreement made without prior approval of the Lender will constitute an event of default.

(m) *TARION Compliance:* If the Borrower is a "vendor" or a "builder" within the meaning of the *Ontario New Home Warranties Plan Act* (the "Act") and any of the improvements on the Property is a "home" within the meaning of the said Act, delivery of evidence satisfactory to the Lender that all registrations and

enrolments have been effected under the said Act and that the same has been fully complied with in all respects including, without limitation, the fulfillment of all financial and security requirements in respect thereto.

(n) *Legal Opinion:* The Lender shall be in possession of a legal opinion from the Borrower's and/or the Lender's counsel, in form and substance satisfactory to the Lender, attesting to, in addition to all of the ordinary content of such letters of opinion, all of the following:

(i) That all security contemplated herein has been duly implemented;

(ii) That the Borrower has the right to enter into the Loan transaction and all related security and the same have been duly authorized, approved and executed in accordance with the Borrower's articles and by-laws; and

(iii) That at the time of disbursement there were no building or construction liens against the Property.

(o) *Debt-Service Capability:* The Borrower has demonstrated, to the Lender's satisfaction, a clear ability to meet any debt service obligations that the Borrower will be required to satisfy while any part of the Loan is outstanding.

(p) *Tenant Estoppel Agreement(s):* Non-disturbance and subordination agreement(s) from any tenant(s) in the Property.

(q) *Condominium Documents:* Where the Property is to be a registered condominium, delivery to the Lender of the disclosure and draft declaration for review and acceptance by the Lender in its sole and absolute discretion.

2. **Sale of the Property:** In the event of a sale, transfer, conveyance or further encumbering of the Property or any part thereof, or a lease of the Property, or a change in the legal or beneficial ownership of the Property or any part thereof, or a change in control of the Borrower, the Loan shall, unless the written consent of the Lender has first been obtained, forthwith become due and repayable in full at the option of the Lender and the Borrower shall be deemed to be in default under the Loan and all security given for the Loan shall become immediately and fully enforceable.

3. **Material Misrepresentations and Material Changes:** If at any time before or after acceptance of this Commitment or advance of funds under the Loan, there is or has been any material change, discrepancy or inaccuracy in any written information, statements or representations made or furnished to the Lender by or on behalf of the Borrower or any Covenantor(s) concerning the Property, the Project or the financial condition and responsibility of the Borrower or any Covenantor(s), or in the event of default by the Borrower or any Covenantor(s) under this Commitment, then, if such default, material change, discrepancy or inaccuracy cannot be rectified or nullified by the Borrower or such Covenantor(s) within fifteen (15) days after written notification thereof by the Lender to the Borrower or such Covenantor(s), the Lender shall be entitled forthwith to withdraw and cancel its obligations hereunder or decline to advance further funds, as the case may be, and to declare any funds which have been advanced, together with interest, to be forthwith due and payable in full.

4. **Preauthorized Payments:** At the option of the Lender, the Borrower shall execute and deliver to the Lender prior to the initial advance such documentation required by the Lender so as to authorize and permit the Lender to have the monthly installments due under the Loan deducted from the Borrower's bank account; provided that the Borrower shall forthwith execute and deliver to the Lender such other or additional preauthorized payment forms as may be required by the Lender from time to time or as may be necessitated by any change in the Borrower's bank account; and provided further that, in the event that the Lender in its sole discretion determines that it no longer wishes to utilize a preauthorized payment plan, the Borrower shall, upon fifteen (15) days' prior written notice from the Lender, provide postdated cheques to the Lender in the manner hereinbefore stipulated. In the event that payment is made other than by postdated cheque or pre-authorized payment, in the course of effecting any loan payments hereunder and in the course of repaying or discharging all or part of the Loan, then all such payments shall be delivered by 12:00 p.m. failing which such payments shall be deemed to have been received on the next business day.

5. **Standard Charge Terms**: The Borrower acknowledges and agrees that the mortgage document may incorporate by reference any and all Standard Charge Terms required from time to time by the Lender, provided that the terms and provisions of the mortgage document shall not be limited to any such Standard Charge Terms and may incorporate such additional provisions as are contemplated by this Commitment and/or as may be considered advisable by the Lender or its solicitors in their sole opinion. In this Commitment, "Standard Charge Terms" refers to any set of Standard Charge Terms and the Lender's standard mortgage provisions prepared by the Lender and the Lender's solicitor, as the case may be.

6. **Condominium Provisions:** With respect to any Property which is a condominium, the Standard Charge Terms and mortgage documentation shall include such provisions in relation thereto as are considered advisable by the Lender or its solicitors including, without limitation, covenants that the Borrower will fully comply with all requirements of the *Condominium Act, 1998* ("the Act"), as amended or replaced from time to time, and the constitution and by-Laws of the condominium corporation; covenants that the Borrower shall pay all required contributions to common expenses, special levies and other charges in relation to the condominium; covenants authorizing the Lender to do the same in the event that the Borrower fails to do so; appointment and authorization of the Lender to exercise all of the Borrower's voting rights or to abstain from so doing at the Lender's option; covenants by the Borrower to provide to the Lender copies of all notices, assessments, claims, demands, by-laws, rules, requests for consent and other communications relating to the condominium; and acknowledgement of the Lender's right to demand immediate repayment of the Loan in the event of any termination of the condominium or sale of its assets or failure of the condominium corporation to comply with its enabling legislation or failure by the condominium corporation to maintain insurance as required by its enabling legislation and its constitution and by-Laws.

   Provided the Borrower is not in default under this Commitment or any security given in relation hereto, the Lender hereby agrees that it will consent to the registration of a plan of condominium and declaration (the "Condominium") pursuant to the Act with respect to the Lands provided that the Lender has received and approved the draft plan of condominium and the declaration and provided further that the Borrower, if requested by the Lender, shall deliver to the Lender prior to the registration of the Condominium, a further charge of the Property (the "Replacement Charge") on the same terms and conditions save and except for the new legal description of the Property. It is agreed the Replacement Charge shall secure the indebtedness hereunder in the same manner as the original security, and shall be registered on title to the Condominium (including without limitation all units thereof) immediately following the registration of the Condominium Declaration. In connection with the provision of the Replacement Charge, the Borrower shall also provide a replacement general assignment of rents (the "Replacement Assignment of Rents"), a reconfirmation of all existing security and such further and other documentation as may then be required by the Lender's solicitors. The security granted hereunder shall not be released or discharged from the Property (save and except for any partial discharge provisions provided for herein) until the expiration of Ninety (90) days immediately following the later of the registration of the Condominium and the registration of the Replacement Charge and Replacement Assignment of Rents.

   Notwithstanding any other provisions of this Commitment or the security taken in relation hereto, upon unit occupancy, the Borrower shall pay the interest portion of all monthly interim occupancy fees received by it from the purchasers of condominium units to the Lender, such amounts to be applied, firstly, on account of the interest and fees due and, secondly, on account of the principal balance outstanding.

   Upon registration of the Condominium Declaration, the following shall apply:

   (a) The Borrower shall be responsible for ensuring that the Condominium Corporation ("the Corporation") provides insurance in accordance with the provisions of this Commitment;

   (b) The Borrower shall:

      (i) Pay any and all money due and payable by the Borrower in accordance with the provisions of the Condominium Act or the Declaration or the by-law or the by-laws of the Corporation from time-to-time on or before the dates for payment thereof, and upon demand of the Lender submit satisfactory proof of payment, including, without limiting to the foregoing, any contribution to the common expenses or in respect of any special assessments required as owner. In the event of default the Lender, at its option, may pay the same and treat such failure by the Borrower as an Event of Default; and

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(ii) Comply with and observe all the covenants, provisions, terms, conditions, stipulations, specification, rules and regulations of the Condominium Act and of the Declaration and of the by-laws of the Corporation and any future by-laws of the Corporation and of any of the said rules and regulations applying to the owners of the said units.

(c) In the event that the government of the Property by the Corporation is terminated or in the event of a sale of the property or a part of the common elements of the corporation being authorized by a vote of the owners of the said units then, and in any such event, the monies hereby secured shall, at the option of the Lender, become due and payable, and all the powers given herein shall become exercisable notwithstanding any consent given by the Lender to such termination or sale;

(d) The Lender may, in the name of and on the behalf of the Borrower, exercise from time-to-time and at any time the rights of the Borrower to vote or consent at all times and for all purposes, wherever and whenever the Borrower would have such right to vote, at any meeting of the Corporation or wherever and whenever the Borrower would have the right of consent to any matter relevant to the management or sale or any dealings with the Property of the Corporation or its assets or the termination of the application of the Act to the Corporation;

(e) The Lender may from time-to-time waive the right to vote or right of consent by giving notice of intention to do so to the Corporation and such waiver may be for an indeterminate period of time until withdrawn or for a limited period of time or for a specific meeting or matter, and while such waiver is in effect the Borrower may exercise the right to vote or to consent;

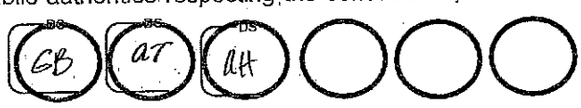
(f) Notwithstanding the exercise by the Lender of the right of the Borrower to either vote or consent, such exercise shall not render the Lender a lender-in-possession; and

(g) The right to vote or to consent conferred upon the Lender herein does not entail any representation expressed or implied, that the Lender shall be in any way responsible to protect the interest of the Borrower, and the Lender shall not be responsible for any exercise of the right to vote or the rights to consent or any failure to exercise the right to vote or the right to consent.

7. **Covenantors:** In consideration of the Lender committing to make the Loan available to the Borrower (the receipt and sufficiency of which is hereby acknowledged by each Covenantor, each Covenantor named in and executing this Commitment does hereby covenant, jointly and severally, as principal debtor and not as surety, that he will pay or cause to be paid to the Lender all amounts due by the Borrower under the Loan up to the limit provided for herein, if any and will observe, keep and perform all of the terms and conditions set forth herein or required hereby to be observed, kept and performed by the Borrower pursuant to this Commitment or any of the Security Documents, and that after the first advance under the Loan, all present and future indebtedness of the Borrower to each Covenantor shall be assigned to the Lender and postponed to the present and future indebtedness of the Borrower to the Lender; and each Covenantor agrees that he shall execute the Security Documents or any of them, in such form as may be required by the Lender and its solicitors, in order to fully document and effectuate the intent and meaning of this paragraph.

8. **Taxes:** All realty taxes and penalties, if any, due and payable and all outstanding levies, special assessments and other charges relating to the Property shall be paid in full by the Borrower prior to each advance under this Loan. The Lender reserves the right to pay future taxes and to collect from the Borrower an amount each month sufficient to pay the taxes in full by the due dates thereof. The Lender shall also have the right to require the Borrower to establish and maintain a non-interest bearing tax escrow account with the Lender, wherein the Borrower shall deposit, on an equal monthly basis, the full amount of projected annual taxes, the accumulated funds to then be made available to the Borrower for the payment of taxes as and when due or, at the Lender's option, paid directly to the municipality. In addition, at the Lender's option, the tax obligations of the Borrower may be provided for as part of the Interest Reserve facility. Nothing contained herein shall derogate from the Borrower's obligation to ensure that all taxes in relation to the Property remain paid.

9. **Compliance with By-Laws, etc.:** Prior to each advance, the Lender shall receive satisfactory evidence of compliance with all applicable building and zoning by-laws, restrictive covenants, agreements, rules and regulations of and with public authorities respecting the construction, use and occupancy of the Property.



The Borrower and each Covenantor agrees to provide written authority, duly signed by all owners of the Property and addressed to the requisite municipal or other authority having jurisdiction, so as to allow release to the Lender of any information contained in the records of such authority, or, at the Lender's option, to allow an inspection of the Property by such authority to determine any outstanding work orders or deficiencies.

10. **Events of Default:** Notwithstanding the terms set out herein, forthwith upon the occurrence of any of the following events the full amount due and owing to the Lender, whether as advances, fees interest, costs or otherwise, shall be accelerated and become immediately due and payable in full:

(a) The Borrower, after seven (7) days' written notice, continues to be in default in payment of any amount due from time to time or of any fee or other sum due;

(b) The discovery by the Lender that the Borrower, or anyone acting on its behalf, has made a material false representation upon which the Lender actually relied or was reasonably entitled to rely in granting or continuing this facility;

(c) Any default by the Borrower in the observance or performance of any of the other covenants or agreements on its part to be observed or performed hereunder, and the failure to cure such default within fifteen (15) days after written notice thereof is given by the Lender;

(d) The Borrower or any Guarantor shall fail to perform or observe any covenant, condition, or provision to be performed or observed by either of them under the terms of this facility, the security, or any other agreement in writing, after receipt of fifteen (15) days' notice;

(e) Any insurance policies to be provided by the Borrower pursuant hereto shall be or become cancelled or invalidated or altered below stated requirements for any reason before such policy is replaced with another which complies with the provisions hereof;

(f) The Borrower shall fail to maintain reasonable currency with respect to government priority payables;

(g) The Borrower or any Covenantor(s).

(i) Shall suspend or discontinue its business;

(ii) Shall become insolvent (however such insolvency may be evidenced), bankrupt, or commit an act of bankruptcy;

(iii) Shall make an assignment for the benefit of creditors, or shall be unable or admit in writing its inability to pay its debts as they mature, or if bankruptcy, reorganization, arrangement, insolvency, or similar proceedings for relief of financially distressed debtors shall be instituted against them;

(iv) Shall petition for or there shall be appointed for them, or for a substantial part of their assets, a trustee, receiver, or liquidator; or

(v) Shall take any action for the purpose of effecting any of the foregoing.

11. **Warranty as to Title and Authority:** Except as may be otherwise provided in this Commitment, the Borrower hereby represents and warrants,

(a) That the Borrower is the sole registered owner of the Property and does not hold the same in trust for any other parties except as may be expressly set out in this Commitment;

(b) That title to the Property is good and marketable and free from all easements, rights-of-way, agreements, restrictions, mortgages, charges, liens, executions and other encumbrances, save and except those which have been disclosed to the Lender prior to the date of issuance of this Commitment and save for such other encumbrances which are determined by and in the sole discretion of the Lender and its solicitors as not materially adversely affecting the Lender's security;

(c) That any the Leases and the rents charged are legal and enforceable, and that the Borrower has complied in all respects with all applicable legislation governing rental properties and the rents charged therefore;

(d) That all parties hereto have the right to enter into this Commitment and to charge or pledge the Property and other assets herein stipulated as security for the Loan; and

(e) That the Property and other assets herein stipulated as security for the Loan do not, within the meaning of Section 244 of the *Bankruptcy and Insolvency Act (Canada)*, comprise all or substantially all of the inventory, accounts receivable or other property of the Borrower acquired for or used in relation to any business carried on by the Borrower.

12. **Prior Encumbrances:** This Commitment shall, upon acceptance by the Borrower, operate as a direction to the Lender to disburse at its sole option, out of the proceeds of each advance under this Loan, such amount or amounts sufficient to pay all outstanding realty taxes and penalties thereon, utility charges, construction and other liens and any and all other charges for deficiencies pertaining to the Property, the amount required to discharge any prior encumbrances not being assumed or bring into good standing any encumbrances being assumed and any and all charges and expenses connected with the Loan, including, without limitation, all accrued and unpaid interest with respect to the Loan and all premiums for insurance of the Property.

13. **No Subsequent Encumbrances:** The Borrower covenants and agrees that it shall not, without the prior written consent of the Lender, execute or deliver any mortgage, charge, lien or other encumbrance of the Property intended to rank subordinate to any of the Security Documents.

14. **Construction Act:** The Borrower represents, warrants and agrees that the proceeds of the Loan are not intended to be utilized for the purposes of security financing of any improvements whatsoever with regard to the Property, nor for the purposes of repaying any financing, mortgage or otherwise which was utilized or intended for the financing of any improvement with regard to the Property, and accordingly it is not the intention that the security to be taken pursuant to this Commitment be a mortgage over which a person supplying services or materials to the Property has or may claim priority pursuant to any applicable construction lien legislation.

The Lender shall not be obliged to make any advance except in strict accordance with the provisions of the *Construction Act*, R.S.O. 1990 c. C.30 (the "Act"). Upon each advance, a 10% holdback will be retained until:

(i) Sixty (60) days have passed after substantial completion of the Project; and

(ii) the Lender has been presented with evidence that proper trade publishing has been completed and the Lender and its counsel are satisfied that the requirements of the Act have otherwise been met.

15. **Hazardous Substances:** In this Commitment, "Hazardous Substance" means any hazardous waste or substance, pollutant, contaminant, waste or other substance, whether solid, liquid or gaseous in form, which when released into the natural environment may, based upon reasonably authoritative information then available concerning such substance, immediately or in the future directly or indirectly cause material harm or degradation to the natural environment or to the health or welfare of any living thing and includes, without limiting the generality of the foregoing,

(a) Any such substance as defined or designated under any applicable laws and regulations for the protection of the environment or any living thing;

(b) Asbestos, urea formaldehyde, poly-chlorinated byphenyl (PCB) and materials manufactured with or containing the same; and

(c) Radioactive and toxic substances.

The Borrower and each Covenantor jointly and severally represent, warrant, covenant and agree that:

(a) Each has not and, to the best of their respective knowledge, information and belief after making due inquiry, no other person has caused or permitted any Hazardous Substance to be placed, stored, located or disposed of on, under or at the Property;

(b) They and their tenants, invitees and other occupiers of the Property have and will at all times and, to the best of their respective knowledge, information and belief after making due inquiry, all prior owners and occupiers of the Property have at all times carried out all business and other activities upon the Property in compliance with all applicable laws intended to protect the environment including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Substance;

(c) No order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to any Hazardous Substance or the environment has been issued or is otherwise threatened or pending with respect to the Property;

(d) Each of the representations and warranties set out herein shall remain true and accurate in all respects up to and including the date of the first advance of funds and thereafter until the Loan is repaid in full; and

(e) The Lender may delay or refuse to make any advance to the Borrower if the Lender believes that any of the representations and warranties set out herein were not true and accurate when made or at any time thereafter.

The Borrower shall permit the Lender to conduct, at the Borrower's expense, any and all tests, inspections, appraisals and environmental audits of the Property so as to determine and ensure compliance with the provisions of this paragraph including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Property or the businesses and other activities conducted thereon at any time and from time to time.

The Borrower and each Covenantor jointly and severally agree to indemnify and save harmless the Lender and its officers, directors, employees, agents and shareholders from and against any and all losses, damages, costs and expenses of any and every nature and kind whatsoever which at any time or from time to time may be paid or incurred by or asserted against any of them as a direct or indirect result of:

(a) A breach of any of the representations, warranties or covenants hereinbefore set out;

(b) The presence of any Hazardous Substance in, on or under the Property; or

(c) The discharge, emission, spill or disposal of any Hazardous Substance from the Property into or upon any land, the atmosphere, any watercourse, body of water or wetland;

The provisions of all representations, warranties, covenants and indemnifications set out herein shall survive the repayment and satisfaction of the Loan and the release and discharge of the Security Documents.

16. **Survival of Terms:** Notwithstanding the delivery and registration of any or all of the security contemplated by this Commitment and the advance of funds pursuant thereto, the terms and conditions of this Commitment shall remain binding and effective on the parties hereto, and shall not merge in the Security Documents or any of them, and the terms of this Commitment shall be incorporated by reference into the Security Documents. In the event of any discrepancy between the terms of this Commitment and any of the Security Documents, or any discrepancy as between any of the Security Documents, the Lender, in its sole discretion, shall decide the provisions of which document shall prevail.

17. **Solicitors and Documentation:** All legal matters and documentation shall be satisfactory to the Lender's solicitors, whose fees and disbursements the Borrower and the Covenantor(s) agree to pay whether or not this transaction is completed as contemplated herein. The Borrower acknowledges and confirms that it shall be responsible to obtain and negotiate legal fees and estimated disbursements from the Lender's appointed solicitor. The Borrower agrees to provide a non-refundable legal retainer, payable to Lender,

upon acceptance of the commitment letter, to be applied to legal costs incurred in the legal implementation of the loan.
With respect to the Lender's counsel, the Borrower, upon request, will be offered an opportunity to obtain and approve and advance quotation of the expected amount of fees. In the event that the Borrower find the quotation unacceptable, the Lender will propose at least two other options for counsel, with all being asked to provide a competing quotation. The Borrower will thereupon be bound to accept the lowest quotation. As noted above, a trust retainer of some or all of the proposed fee may be required to be paid in advance.

18. **Solicitor's Opinion:** All advances in this Loan are subject to receipt by the Lender of an opinion acceptable to the Lender from its solicitors as to the effectiveness and priority of all Security Documents. The Borrower agrees to deliver to the Lender or its solicitors, forthwith upon request, such other documents, assurances, information and covenants as the solicitors for the Lender may reasonably require with regard to the Loan or the Security Documents to be given hereunder. The Borrower and Covenantor(s) acknowledge and confirm that at the Lender's solicitor's option, they may be required to obtain independent legal advice respecting this transaction.

19. **Lender's Documentation:** All terms and conditions of the Lender's usual Security Documents and supporting documents shall be deemed to be incorporated in and form part of this Commitment. The form of all documentation shall be made available for the Borrower's inspection upon request. Prior to each advance, the Lender and its solicitors shall be satisfied with the form and content of all documents in connection with the Loan, all disbursement procedures and all matters relating to title and the security.

20. **Payment of Costs:** The Borrower shall pay, whether or not the Loan or any part thereof is disbursed, all costs of investigation and certification of title by the Lender's solicitors, registration fees, legal costs, appraisal costs, all Cost Consultant fees and out-of-pocket expenses incurred by the Lender relating to the Loan and to preparation for and completion of the transaction contemplated by this Commitment.

21. **Credit Investigation:** The Borrower and all Covenantors acknowledge receipt of notice that usual credit and personal enquiries may be made at any time in connection with the credit hereby applied for and consent to disclosure of any such information to any other credit grantors or to any consumer reporting agency.

22. **Marketing:** The Borrower shall, at its own expense, erect on the Property any sign provided by the Lender indicating the source of financing, the location and size of such sign to be determined by the Lender, provided that same complies with requirements of all governmental authorities having jurisdiction. Alternatively, by mutual agreement, the sign content required by the Lender may be incorporated into the Borrower's signage. The Borrower shall further permit the Lender to advertise that it has provided funding to the Borrower as the Lender deems fit, provided that such advertising shall not include any confidential information.

23. **Notices:** All notices or other communications required to be given or which may be given under this Commitment shall be in writing duly executed by the party giving such notice or its solicitors, and shall be personally delivered or transmitted by registered mail or facsimile transmission addressed to the Lender, the Borrower and the Covenantor(s) as indicated in the Commitment. Notices given by personal delivery or facsimile transmission shall be deemed to have been received on the day of and at the time of such delivery or transmission and all other notices shall be deemed to have been received at 2:00 p.m. on the second business day after the posting thereof. Any notice requesting or requiring response within five (5) or less business days from the date thereof shall be given by personal delivery or facsimile transmission. In the event of actual or reasonably anticipated postal disruption, all notices shall only be given by personal delivery or facsimile transmission. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

24. **Assignment of Commitment:** This Commitment and the rights and benefits arising herefrom may not be assigned by the Borrower to any other party without the written consent of the Lender, which consent may be arbitrarily and unreasonably withheld.

25. **Syndication by Lender:** It is not uncommon for Lender to syndicate or take partners in the financings that it engages in from time to time, or to assign security. Generally speaking, in all such activity, the Lender continues as the manager of the financing. The participants may be disclosed or undisclosed and the

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security may be registered in the name of the Lender and a participant as their interests appear pursuant to the terms of a mortgage participation and servicing agreement. The Borrower agrees that the Lender's interest in the Loan and all underlying security shall be assignable by the Lender in its sole and absolute discretion with or without notice and in whole or in part. The Borrower's consent shall not be required for such assignment and the Borrower will do all things, sign all documents and give all assurances that may be necessary in the completion of such assignment.

26. **Lender Consents:** The Lender hereby consents to the commencement, carrying out and completion of the development of the Property in accordance with the Business Plan provided by the Borrower as part of the Project, and no act of demolition or alteration of the Property in respect thereto shall be deemed an act of waste. In addition, the Lender agrees, and the mortgage shall provide that, following receipt of any and all reasonable requests from the Borrower for consent or agreement, it will consent to and, if required, join in any agreement existing or in the future required in connection with the development and improvement of the Property in accordance with the Business Plan. All costs and expenses incurred by the Lender with regard to reviewing and responding to the requested consent or agreement shall be for the account of and paid by the Borrower. The agreements shall include:

    (a) Any agreement with municipal or other governmental or public authorities as may reasonably be required in connection with the zoning, construction, development, easement, remediation or redevelopment of the Property ("the Municipal Agreements");

    (b) Any easements, rights of way, restrictions or similar rights with respect to the Property reasonably required to implement any Municipal Agreement; and

    (c) The registration and development of the plan of condominium as contemplated in the Business Plan.

27. **Permitted Encumbrances:** The Lender consents to encumbrances in respect to any of the following being registered against the Property as needed in furtherance of the development of the Property in accordance with the Business Plan:

    (a) The reservations, limitations, exceptions, provision and conditions, if any, expressed in any original grants from the Crown including, without limitation, any reservation relating to mines or minerals in favour of the Crown or any other person;

    (b) Subdivision agreements, remediation agreements, site plan control agreements, servicing or industrial agreements, utility agreements, airport zoning regulations and other similar agreements with governmental authorities or private or public utilities;

    (c) Rail siding agreements or facility, cost-sharing, servicing, reciprocal use, or other similar agreements;

    (d) Encumbrances respecting minor encroachments of the Property over neighbouring lands and permitted under agreements with the owners of such lands, and minor encroachments over any of the Property by improvements of abutting landowners and permitted under agreements with the Borrower;

    (e) Title defects or irregularities which are of a minor nature and which, in the Lender's opinion, in the aggregate will not materially impair the use or marketability of the Property;

    (f) Restrictive covenants, private deed restrictions and other land use control agreements; and

    (g) Any easements or rights of way in favour of any governmental authority, any private or public utility, any railway company or any adjoining owner.

28. **Agreements of Purchase and Sale and Deposits:** The Borrower shall deliver to the Lender copies of all agreements of purchase and sale within five (5) business days after they become binding. All purchaser deposits are to be held by the Lender or in the trust account of a solicitor appointed by the Lender. Deposit monies will only be made available for use by the Borrower with the express written approval of the Lender. The Borrower acknowledges that, whenever permission to use deposit monies is requested, it will be subject to two conditions:

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(a) That the deposit monies shall be used to fund project costs in relation to execution of the Project and for no other purpose; and
(b) That the amount available hereunder for project costs will be reduced by one hundred percent (100%) of the amount of deposits so used.

29. **Time of the Essence:** Time shall be of the essence in this Commitment. The times herein specified for the taking of certain action by the Borrower are in each case firm and shall not be extended without the written approval of the Lender.

30. **Prior Commitments:** This Commitment shall supersede any and all prior dealings, whether written or oral, as between the parties hereto and relating to this Loan.

31. **Amendments:** No term or requirement of this Commitment or any Security Documents may be waived or varied orally or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment or any Security Document must be in writing and signed by a duly authorized officer of the Lender.

32. **Waiver of Defaults:** Any waiver by the Lender of any default by the Borrower or any omission on the Lender's part in respect of any default by the Borrower shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Borrower or the Lender's rights resulting therefrom.

33. **Interpretation:** This Commitment shall be interpreted in accordance with the laws of the Province of Ontario and the parties hereto hereby attorn to such jurisdiction. This Commitment shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The paragraph and other headings set forth in this Commitment are inserted for convenience and reference only and shall in no way define or limit the intent or interpretation of any of the provisions hereof. This Commitment shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context, and the covenants and agreements of the Borrower and the Covenantor(s) shall be deemed to be joint and several where they or either of them are more than one person. The terms and conditions set forth on any Schedules referred to and attached to this Commitment are deemed to be included in this Commitment and form a part hereof.

34. **Borrower and Covenantor Identification:** The Borrower and Covenantor(s) acknowledge and agree that the Lender will be complying with *The Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act") and all regulations thereto. Pursuant to the Act, the Lender is required to obtain identification of the Borrower, the Covenantor(s) and any third party involved in the transaction, and for information with respect to the source of funds provided by the Borrower. The Borrower and Covenantor(s) hereby covenant and agree to provide, prior to the any advance under the Loan, such identification and information as may be required by the Lender in order to comply with the provisions of the Act.

    In addition to the above, the Borrower and Covenantor(s) shall provide to the Lender particulars of all shareholders, including percentage ownership held, as well as any non-legal beneficial interest. In the case where the Borrower and Covenantor(s) are structured as a partnership or joint venture, particulars of all partners and/or participants are to be provided, including percentages held. Such information is to be supported by satisfactory documentation as determined by the Lender's legal counsel, including without limitation, copies of any (Partnership/Joint Venture/Co-Tenancy/Trust) Agreements, together with any amendments, all in form satisfactory to the Lender's legal counsel.

35. **Facsimile and E-mail Transmission:** The transmission of an executed copy of this Commitment or any other document by facsimile or e-mail shall be deemed to constitute execution and delivery of an original executed copy, although the Lender may, in its discretion, require originals as well.

36. **Counterparts:** This Commitment may be executed in counterparts and all counterparts so executed will constitute on agreement binding on the parties effective on execution. Provided further and notwithstanding the foregoing, the failure of any of the Borrower and/or the Covenantor(s) to execute this Commitment shall not be pleaded as an estoppel or a defense to the execution of this Commitment by the others of the Borrower and/or Covenantor(s).

37. **Net Closing Proceeds:** Net closing proceeds is defined to be the sale price less purchaser deposits

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received by the Lender or utilized in execution of the Project, approved legal fees, sales commissions, inclusive of Harmonized Sales Tax. The Lender, in its sole discretion, reserves the right to disallow legal fees, sales commissions, and Harmonized Sales Tax to be deducted from the net closing proceeds.

38. **Fees and Expenses:** In addition to interest provided for at the rate set out in the Commitment, the Commitment Fee and reimbursement of all costs and expenses, the Borrower agrees to pay the following and acknowledges that fees are subject to change without notice:

(a) *Service Fees:*

(i) Late Payment Fee: A $300.00 fee on each and every occasion that a payment is not paid when due, if payment is made by cheque dishonoured or not paid for any reason whatsoever;

(ii) Draw Request Fee: A $500.00 fee on the occasion of each and every draw request;

(iii) Legal Sub-search Fee: A $500.00 fee on the occasion of each and every legal sub-search;

(iv) Wire Transfer Fee: A $50.00 fee for all advances made by way of a wire transfer;

(v) Partial Discharge Fee: A $500.00 fee per unit, payable at the time of the Lender granting a partial discharge in relation to the unit together with legal costs and disbursements;

(vi) Letter of Credit Renewal Fee: A fee calculated at 4% of the Letter of Credit amount at time of renewal; and

(vii) The Lender's usual fees and charges as more particularly set out in the Lender's standard mortgage provisions.

(b) *Expenses:* Whether or not the Loan is disbursed, and notwithstanding the retention of the Commitment Fee by the Lender, the Borrower shall pay, immediately upon presentation of invoices, all of the Lender's third-party costs and expenses relating to the Loan, including due diligence and legal costs and expenses, and including costs and expenses, if any, incurred by the Lender due to proceedings under the *Bankruptcy and Insolvency Act (Canada)* relating to the Borrower. To the extent that any such costs and expenses remain unpaid, the subject amount may, at the Lender's option, be deducted from any advance under the Loan or maybe added to the then outstanding principal balance of the Loan and shall bear interest at the same rate as, and be secured in the same manner as the Loan.

39. **Anti-Money Laundering Compliance:** Pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"), the Lender is required to ask for identification and certain other information regarding the Borrower, the Guarantors (if applicable) and any third party involved in the transaction. The Borrower, each Guarantor (if applicable) and any third party involved hereby covenant and agree to provide such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.

☒ As a client of Morrison Financial I/We agree to receive electronic messages containing news and updates relevant to me/us and/or the mortgage and financing industry. I/We understand my/our consent can be withdrawn at any time.

This is **Exhibit "6"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ASSIGNMENT of AGREEMENTS OF PURCHASE AND SALE

B E T W E E N :

1817955 ONTARIO LTD.

hereinafter called the "Assignor",
OF THE FIRST PART,

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Assignee",
OF THE SECOND PART,

WHEREAS by a certain commitment dated the 26th day of October, 2021, and accepted on the 26th day of October, 2021 (the "Commitment") the Assignor agreed, in part, to collaterally secure monies loaned to the Assignor by the Assignee by granting the Assignee a mortgage (the "Charge") over the property municipally known as 1020 Goderich Street, Port Elgin, Ontario ("1020 Goderich").

AND WHEREAS THE Assignor has, or may in the future, enter into agreements of purchase and sale to sell commercial or residential condominium units in the condominiums the Assignor is building on 1020 Goderich (the "1020 Goderich Condominium Agreements of Purchase and Sale").

AND WHEREAS the Assignor has agreed to assign all and singular the terms of any existing or future 1020 Goderich Agreements of Purchase and Sale and all benefits and advantages to be derived therefrom, to the Assignee as collateral security for the payment of the monies, due under the Commitment.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises the Assignor does hereby ASSIGN, TRANSFER, AND SET OVER UNTO the Assignee, all and singular the 1020 Goderich Agreements of Purchase and Sale and all benefits and advantages to be derived from the same, to hold and receive the same unto the Assignee, its successors and assigns.

PROVIDED that nothing herein shall be deemed to have the effect of making the Assignee responsible for the completion of the 1020 Goderich Agreements of Purchase and Sale, or any part thereof, or for the performance of any covenants, terms or conditions, either by the Vendor or Purchaser, contained in the said 1020 Goderich Agreements of Purchase and Sale.

PROVIDED also that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this indenture, less proper collection charges, and that such monies when so received by the Assignee shall be applied on account of the monies due under the Commitment, to which this indenture is taken as a collateral security.

The discharge of the above-mentioned Charge shall operate as a re-assignment of this assignment of the 1020 Goderich Agreements of Purchase and Sale and monies securing the same from the Assignee to the Assignor without the need for the registration of any further re-conveyance. The Assignee covenants and agrees with the Assignor to execute such further assurances as may be required of the Assignee by the Assignor in order to effectually re-assign the 1020 Goderich Agreements of Purchase and Sale to the Assignor.

IN WITNESS WHEREOF the Assignor of the First Part has signed, sealed and delivered this Assignment this 18 day of November, 2021.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "7"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DEFICIENCY AND COST OVERRUN AGREEMENT

To: Morrison Financial Mortgage Corporation		
Name of borrower (the **"Borrower"**) 1817955 ONTARIO LTD.	Aggregate Amount of loan $9,541,546.25	Date of commitment letter (the **"Commitment letter"**) October 26th, 2021

In consideration and as a condition of **Morrison Financial Mortgage Corporation** (the **"Lender"**) agreeing to make available to the Borrower the loan (the **"Loan"**) in the aggregate amount set out above pursuant to the terms of the Commitment Letter, as may be amended or replaced from time to time, from the Lender to the Borrower, and in consideration of $1.00 and other good and valuable consideration now paid by the Lender to the undersigned (receipt of which is hereby acknowledged), the undersigned hereby jointly and severally irrevocably agree with the Lender as follows:

1. If a budget shortfall amount (as described below) has arisen and has continued for 10 days or more, the undersigned shall, on demand by the Lender, forthwith pay to the Lender such monies as are required to satisfy the budget shortfall amount, being the amount, if any, by which the aggregate cost, as determined by the Lender, to complete construction of the project at 1020 Goderich Street, Port Elgin, Ontario (the "project"), as contemplated in the Commitment and as set out in the budget provided to the Lender for the same, or as otherwise represented to the Lender, including the interest estimated to accrue due on the said project, exceeds the unadvanced portion of the Loan (or if the Loan comprises more than one loan, exceeds the unadvanced portion of the construction loan included in the Loan). The monies so paid to the Lender shall be held by the Lender as cash collateral to secure the obligation of the Borrower to the Lender until released by the Lender in its discretion for injection by the Borrower into the said project to satisfy the budget shortfall.

2. The obligation of the undersigned under paragraph 1 shall be a continuing obligation in favour of the Lender which shall not be terminated by reason of a demand being made on the undersigned by the Lender hereunder, and the Lender shall be entitled to demand and redemand payment by the undersigned under paragraph 1 from time to time and at any time.

3. Nothing herein contained shall prejudice or limit the right of the Lender to make demand for repayment by the Borrower of the Loan as provided in the Commitment Letter.

4. This Agreement shall be in addition to and not in substitution for any of the security documents provided to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security now held or hereinafter acquired by the Lender, and the Lender may do all or any of the following:

   a) grant time, renewals, extensions, indulgences, releases and discharges to;
   b) take securities from;
   c) abstain from taking additional security from;
   d) abstain from perfecting securities of;
   e) accept compositions from; and
   f) otherwise deal with

   the undersigned, the Borrower and all other persons and securities, including the Security Documents as the Lender may see fit without prejudice to the rights of the Lender under this Agreement or any other securities, including the Security Documents.

5. The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any form held or which may be held hereafter by the Lender from the undersigned or the Borrower or from any other person or persons whomsoever.

6. If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability

of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7. This Agreement shall enure to the benefit of the Lender and be binding on the undersigned and his heirs, executors, administrators, successors, and assigns. In the event that this Agreement is executed by more than one party, the obligations hereunder of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this Agreement shall in no way limit or prejudice the liability of the undersigned to the Lender.

8. Whenever the singular or the body politic or corporate is used herein the same shall be deemed to include the plural on the masculine or the feminine where the context or the parties so require.

9. Any notice or demand referred to herein may be delivered, transmitted by facsimile machine ("**fax**"), or may be mailed by prepaid ordinary mail to the undersigned at the number or address set out below, or such number or address of which such party shall advise the Lender in writing from time to time, and the undersigned shall be deemed to have received such notice or demand on the date of delivery, if delivered, on the day following transmission, if transmitted by fax, or three (3) days after mailing, if mailed.

10. All reasonable legal costs incurred by the Lender in the enforcement of this Agreement shall be for the account of the undersigned.

11. This Agreement shall in all respects be governed by and be construed in accordance with the laws of the Province of Ontario.

12. This Agreement shall not be amended or varied or deemed to be amended or varied unless amended or varied by written instrument signed by a duly authorized officer of the Lender.

13. It is express wish of the parties that this Agreement and any related documents be drawn up and executed in English. Il est la volonté expresse des Parties que cette convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

IN WITNESS WHEREOF this Agreement has been executed by the undersigned as of the 18 day of November, 2021

1817955 ONTARIO LTD.
Per: _____
Andrew Terence Hill, President
I have authority to bind the Corporation

Guarantor:

WITNESS:

_____
As to the signature of
LORNE C. MACINTOSH
Barrister & Solicitor
669 Gustavus Street, Box 579
Port Elgin, ON N0H 2C0

_____
Andrew Terence Hill

This is **Exhibit "8"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ASSIGNMENT of INTEREST IN LETTERS OF CREDIT

B E T W E E N :

1817955 ONTARIO LTD.

hereinafter called the "Assignor",
OF THE FIRST PART,

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Assignee",
OF THE SECOND PART,

WHEREAS by a certain commitment dated the 26th day of October, 2021, and accepted October 26th, 2021 (the "Commitment") collaterally secured by a certain mortgage dated on or about the 24th day of November, 2021 (the "Charge"), the Assignor did grant and charge to the Assignee certain lands and premises in the Town of Port Elgin, Ontario municipally known as 1020 Goderich Street, Port Elgin which the Assignor is in the process of constructing a mixed use condominium comprising a three storey commercial office tower and a four storey 12 unit residential tower complimented by underground parking and surface level parking (the "Project"), to collaterally secure the payment of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS($9,541,546.25) with interest as therein mentioned.

AND WHEREAS the Assignor has or will enter into or post certain letters of credit with municipal authorities and agencies in the Town of Port Elgin, Ontario in connection with the Project (the "Letters of Credit").

AND WHEREAS the Assignor has agreed to assign all of its right, title and interest in all present and future Letters of Credit in support of the Project and all benefits and advantages to be derived therefrom, to the Assignee as collateral security for the payment of the monies, due under the Commitment and the Charge.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises the Assignor does hereby ASSIGN, TRANSFER, AND SET OVER UNTO the Assignee, all and singular all present and future Letters of Credit posted with municipal authorities and agencies in the Town of Port Elgin in connection with the Project and all benefits and advantages to be derived from the same, to hold and receive the same unto the Assignee, its successors and assigns.

THE ASSIGNOR for the said consideration further does hereby ASSIGN, TRANSFER AND SET OVER UNTO the Assignee, any amounts on deposit with the Assignor's bank or other financial institution which provide security for the Letters of Credit and hereby authorize and direct its bank or other financial institution to deliver any funds available upon release of the Letters of Credit to the Assignee.

PROVIDED that nothing herein shall be deemed to have the effect of making the Assignee responsible for the completion of the Project or any part thereof, or for the performance of any covenants, terms or conditions, by the Assignor contained in the said Letters of Credit.

PROVIDED also that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this indenture, less proper collection charges, and that such monies when so received by the Assignee shall be applied on account of the monies due under the Commitment and Charges, to which this indenture is taken as a collateral security.

AND PROVIDED FURTHER that the repayment of monies securing the Letters of Credit as and when they become available are to be made to the Assignor until such time as the said Assignee shall have notified the Assignor's bank or financial institution in writing that default has occurred in the payment of principal and/or interest provided to be paid by the Commitment and Charge and/or performance of the covenants contained in the said Charge, and notifies the municipal authorities and agencies in the Town of Port Elgin, Ontario to pay the said monies to the Assignee.

The discharge of the above-mentioned Charges shall operate as a re-assignment of this assignment of the Letters of Credit and monies securing the same from the Assignee to the Assignor without the need for the registration of any further re-conveyance. The Assignee covenants and agrees with the Assignor to execute such further assurances as may be required of the Assignee by the Assignor in order to effectually re-assign the Letters of Credit and monies securing the same to the Assignor.

IN WITNESS WHEREOF the Assignor of the First Part has signed, sealed and delivered this Assignment.

1817955 ONTARIO LTD.
Per:



Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "9"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

COVENANTS

TO: MORRISON FINANCIAL MORTGAGE CORPORATION (the "**Lender**")

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. (the "**Borrower**") and
ANDREW TERENCE HILL (the "**Guarantor**")

RE: Morrison Financial Mortgage Corporation ("**Morrison**") loan to 1817955 ONTARIO LTD. pursuant to letter commitment dated October 26th, 2021 (the "Loan") as guaranteed by Andrew Terence Hill 1020 Goderich Street, Port Elgin, Ontario (the "**Property**")

The undersigned Borrower covenants and agrees with the Lender that, unless the Lender otherwise consents in writing, so long as any amount payable under the Loan is outstanding:

(1) *Equity maintenance.* the Borrower shall not withdraw any equity from the Property without the prior written consent of Morrison.

(2) *Use of proceeds.* The Borrower shall use the proceeds of all drawdowns on the Loan for the purposes set out in the Loan Agreement dated October 26th, 2021 (accepted October 26th, 2021) only.

(3) *Performance of covenants.* The Borrower and the Guarantor will diligently observe and perform or cause to be observed and performed all covenants to be observed or performed under this agreement and under any other agreement between the Borrower and the Lender and/or the Guarantor and the Lender.

Dated at Port Elgin, Ontario this 15 day of November, 2021.

1817955 ONTARIO LTD.
Per:
_____
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

LORI C. MACINTOSH
Barrister & Solicitor
669 Gustavus Street, Box 579
Port Elgin, ON N0H 2C0

_____
Andrew Terence Hill – Guarantor

This is **Exhibit "10"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ASSIGNMENT OF CONDOMINIUM VOTING RIGHTS

TO: Bruce Standard Condominium Corporation No. TBA
(the "Condominium Corporation") and its Property Manager

AND TO: MORRISON FINANCIAL MORTGAGE CORPORATION (the "Mortgagee")

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. (the "Declarant")

RE: Morrison Financial Mortgage Corporation (the "**Lender**") loan (the "**Loan**") to 1817955 Ontario Ltd. (the "**Borrower**") as guaranteed by Andrew Terence Hill (the "**Guarantor**") secured by Charge over the property municipally known as 1020 Goderich Street, Port Elgin, Ontario (the "**Property**")on which the Borrower is constructing a three storey commercial condominium (the "**Commercial Condominium**," and a four storey, 12 unit residential condominium (the "**Residential Condominium**")

In consideration of the Mortgagee advancing funds in connection with the Loan transaction contemplated above, the undersigned hereby assigns all its rights and privileges to vote on all matters relating to the Commercial Condominium Corporation and the Residential Condomniium and/or the Condominium Units of either condominium, to the Mortgagee in the place of and on behalf of the undersigned until such time as the above-noted mortgage loan has been repaid in full.

The Commercial Condominium Corporation and the Residential Condominium and their respective Property Managers are hereby authorized to accept a photocopy or fax of this document as good and valid evidence of such assignment of voting rights.

Dated at Port Elgin, Ontario this 15th day of November, 2021

1817955 ONTARIO LTD.
Per:

Andrew Terence Hill, President
I have authority to bind the Corporation.

This is **Exhibit "11"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ENVIRONMENTAL INDEMNITY

DATED: November 18, 2021

LENDER: Morrison Financial Mortgage Corporation

INDEMNITOR: Andrew Terence Hill

BORROWER: 1817955 ONTARIO LTD.

RECITALS:

A. Whereas the Lender is making a loan (the "**Loan**") to the Borrower pursuant to a commitment letter dated October 26th, 2021 governing the Loan among, *inter alios*, the Borrower and the Lender, as same may be amended from time to time (collectively, the "**Commitment Letter**") and secured by a mortgage and charge (the "**Mortgage**") of certain lands and premises described in Schedule "A" attached hereto (the "**Property**"). As a condition of the Loan, the Indemnitor has agreed to provide this Indemnity to the Lender. Unless otherwise defined herein, the capitalized terms and expressions used herein have the same meanings as defined in the Mortgage.

IN CONSIDERATION of the Lender making the Loan and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1. **Indemnity** The Indemnitor agrees to indemnify and pay, protect, defend and save the Lender harmless from and against all actions, proceedings, losses, damages, liabilities, taxes, claims, demands, judgments, rights (including set-off), remedies, recourse, costs and expenses of any kind or nature, including legal fees and disbursements on a full indemnity basis and any diminution in value of the Property (collectively "**Claims**") made against or incurred by the Lender from time to time and arising from or relating to, directly or indirectly, any of the following matters, whether or not caused by the Indemnitor or in its control: (a) any actual or alleged breach of Environmental Laws relating to or affecting the Property; (b) the actual or alleged presence, release, discharge or disposition of any Hazardous Substance in, on, over, under, from or affecting all or any part of the Property or surrounding lands, including any personal injury or property damage arising therefrom; (c) any actual or threatened Environmental Proceeding against or affecting the Property including any settlement thereof; (d) any assessment, investigation, containment monitoring, remediation and/or removal of all Hazardous Substances from all or part of the Property or surrounding lands or otherwise ensuring compliance by the Property with Environmental Laws; and (e) any breach by the Borrower of any Loan Document or Applicable Laws relating to environmental matters, including Sections 8 and 9 of the Mortgage. Notwithstanding any other Loan Document and the provisions of this Indemnity, the Indemnitor agrees that the Lender shall have full and unrestricted recourse to the Indemnitor and all of its property and assets for all such Claims. The Indemnitor acknowledges and agrees that the Lender holds the Loan and Loan Documents as custodian and agent for all Persons having an ownership interest in the Loan from time to time. Claims for which the Lender is entitled to indemnity include Claims against or incurred by the Lender and/or each Person having an ownership interest in the Loan from time to time and this Indemnity shall enure to the benefit of the Lender and each such Person, and their respective successors and assigns. The Indemnitor agrees that all enforcement actions or proceedings may be brought by the Lender under or in respect of the Loan and the Indemnity on behalf of itself and all Persons having an ownership interest in the Loan and waives any requirement that any such Person be a party thereto.

2. **Defence of Claims** The Indemnitor shall promptly defend all Claims, using counsel acceptable to the Lender at trial, in all appeals and in any settlement negotiations, all at the Indemnitor's expense. At the Lender's option, the Lender may employ separate counsel and defend such Claims at the Indemnitor's expense. If the Indemnitor fails to defend any Claim, the Lender, at its sole option, may defend

and settle such Claims at the Indemnitor's expense. No such Claim shall be settled or compromised without Lender's consent in its sole discretion. The Indemnitor shall pay to the Lender the amount of all Claims within ten days of demand from the Lender. Any amounts not so paid shall bear interest at the Interest Rate from the date of demand until paid.

3. **Waivers by Indemnitor** To the extent permitted by Applicable Laws, the Indemnitor waives and agrees not to assert or take advantage of, directly or indirectly (a) any right to require the Lender to proceed against the Borrower or any other Person or against any security or collateral held by the Lender at any time or any defence based on election of remedies; (b) any defence arising from the incapacity, lack of authority, death or disability of any Person; (c) any demand, presentment for payment, notice of non-payment, protest and notice of protest or any lack thereof; (d) any right of marshalling; (e) any Applicable Laws in conflict with the terms and provisions of this Indemnity; (f) any duty of any Person to disclose to the Indemnitor any facts that materially increase the risk beyond that which the Indemnitor intends to assume, the Indemnitor being fully responsible for keeping itself fully informed of all circumstances bearing on its liability hereunder; (g) any invalidity, irregularity or unenforceability, in whole or in part, of any Loan Document; (h) the bankruptcy, winding-up, liquidation, termination, dissolution or insolvency of any Person; and (i) any Claims by any Borrower against the Lender or their respective assets arising from or relating to the Loan.

4. **No Limitation on Liability** The liability of the Indemnitor under this Indemnity shall be direct, immediate, unconditional, unlimited and absolute and shall not be impaired or limited by, or otherwise conditional upon (i) any extension or renewal of the Loan or other obligation under the Loan Documents; (ii) any sale or assignment of the Loan or any Transfer; (iii) any change in the Borrower, including the withdrawal or removal of the Indemnitor from any current or future position of ownership, management or control of any Borrower or the Property; (iv) the accuracy or inaccuracy of the representations and warranties made by any Borrower in any of the Loan Documents; (v) the release of any Borrower or other Person from performance or observance of any obligation contained in any of the Loan Documents, by operation of law, voluntary act or otherwise; (vi) the release or substitution in whole or in part of any security or collateral for the Loan; (vii) the failure of any Person to record, register, perfect, protect, secure or insure the Lender's security; (vii) the modification of any Loan Document; (ix) the exercise of any remedies against the Property, the Borrower, or any other Person; (x) any course of dealing with the Borrower or any other Person; or (xi) any matter referred to in Section 3.

5. **Financial Statements and Release of Information** The Indemnitor shall furnish to the Lender promptly upon demand by Lender from time to time financial statements detailing the assets and liabilities of the Indemnitor, in form and substance reasonably acceptable to the Lender. The Indemnitor hereby represents and warrants to the Lender that all financial statements and other information previously provided or to be provided to the Lender with respect to such Indemnitor are and will be complete and correct in all material respects and include all material facts and circumstances concerning the financial or other condition or status of the Indemnitor, its business and operations necessary to ensure all such statements and information are not misleading as of the date of delivery to the Lender or as of such other date specified therein. The Indemnitor acknowledges and agrees that the Loan may be syndicated without further notice to or the consent of the Indemnitor or any other Borrower. The Lender may release, disclose, exchange, share, transfer and assign from time to time, as it may determine in its sole discretion, all information and materials (including financial statements and information concerning the status of the Loan, such as existing or potential Loan defaults, lease defaults or other facts or circumstances which might affect the performance of the Loan) provided to or obtained by the Lender relating to the Indemnitor or any other Borrower, the Property of the Loan (both before and after the Loan advance and/or default) without restriction and without notice to or the consent of the Indemnitor or any other Borrower as follows; (i) to any other

Lender; (ii) to any subsequent or proposed purchase of the Loan, including any subsequent or proposed Lender, and its respective third party advisers and agents such as lawyers, accountants, consultants, appraisers, credit verification sources; and (iii) to any other Person in connection with the sale or assignment of the Loan or in connection with any collection or enforcement proceedings taken under or in respect of the Loan and/or the Loan Documents. The Indemnitor irrevocably consents to the collection, obtaining, release, disclosure, exchange, sharing, transfer and assignment of all such information and materials.

6. **General Provisions** In this Indemnity (a) the obligations of the Indemnitor shall be construed as an indemnity and not a guarantee; (b) if more than one Person is named as or otherwise becomes liable for or assumes the obligations and liabilities of the Indemnitor hereunder, then the obligations and liabilities of all such Persons shall be joint and several; (c) the obligations and liabilities of the Indemnitor under this Indemnity are continuing in nature and shall survive the making of any advance or repayment of the Loan, any full or partial release, termination or discharge of any Loan Document, and any enforcement proceedings taken by the Lender under any Loan Document or Applicable Laws; (d) the obligations of the Indemnitor are independent of the obligations of the Borrower, and the Lender's rights under the Indemnity shall be in addition to the rights of the Lender under the Loan Documents; (e) actions may be brought against the Indemnitor whether or not any Borrower is joined therein; (f) this Indemnity shall be binding upon the Indemnitor and its personal representatives, estate trustees, heirs, successors and assigns; (g) this Indemnity may be transferred or assigned by the Lender without restriction and without the consent of or notice to the Indemnitor; and (h) this Indemnity shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in such Province applying to this Indemnity; and the Indemnitor consents to this jurisdiction of the courts of such Province and irrevocably agrees that, subject to the Lender's election in its sole discretion, all actions or proceedings arising out of or relating to this indemnity shall be litigated in such courts and the Indemnitor unconditionally accepts the non-exclusive jurisdiction of the said courts and waives any defense of *forum non-coveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Indemnity, provided nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Lender to bring proceedings against the Indemnitor or the Borrower in the courts of any other jurisdiction. Where any reference is made in this Indemnity to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to the trustees of the trust. This Indemnity constitutes the entire agreement between the Indemnitor and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties with respect to the subject matter of this Indemnity except as expressly set forth herein.

7. **Notices** Any demand, notice or other communication to be made or given to the Indemnitor may be made or given by personal delivery, by registered mail or by facsimile transmission address to the last known address of the Indemnitor as shown in the Lender's records. Any demand notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of the actual delivery thereof, and if given by registered mail, on the third Business

Day following the deposit thereof in the mail, and if given by facsimile transmission, on the first Business Day following the transmittal thereof.

8. **General** The Indemnitor acknowledges receipt of the Commitment Letter, the Mortgage and each of the Loan Documents. Section 25 of the Mortgage is incorporated in and forms part of this Indemnity *mutatis mutandis*.

IN WITNESS WHEREOF, the Indemnitor has executed this Indemnity as of the date first above written with the intention that this Indemnity be a specialty under Applicable Laws.

SIGNED, SEALED & DELIVERED)
in the presence of:)
)
)
)
)
)
)

Witness: Lori C. Macintosh

Andrew Terence Hill

SCHEDULE "A"
(Legal Description of Lands)

Municipal Address:

1020 Goderich Street, Port Elgin, Ontario

Legal Description:

Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035 LT)

This is **Exhibit "12"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT OF RECEIPT OF A REGISTERED COPY OF FINANCING STATEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

FROM: 1817955 ONTARIO LTD. and ANDREW TERENCE HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION

Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

THE UNDERSIGNED HEREBY ACKNOWLEDGES receipt of copy(ies) of the financing statement(s) registered in favour of Morrison Financial Mortgage Corporation as attached.

DATED at Port Elgin this 18 day of November, 2021.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

_____
Andrew Terence Hill, personally

REGISTRY COMPLETE

Client Reference that matches QUICK SEARC

Logged in as: F
Last login: 202
Francais

Lien Report

Select Province

Enter Details

Review Draft

Confirm Details

Pending Registration

Registration Complete

AMENDMENT RENEW DISCHARGE

Order Number: 17932927
Client Reference: s30926 Edit
Registration Type: Lien
Registration #: 20211116 1304 1902 5461
ON File #: 778263956
Registration Date: 16 Nov 2021
Service Province: ON (Province lien is another jurisdiction)
Term (years): 3
Amount of Lien: $9,541,546.25
Expiry Date: 2024-11-16
Maturity Date: No fixed Maturity Date
Requester: Frederick Shaw
Caution Filing: ☐

File History

Service	Province	Requested	Status	PDF
Lien	ON	2021-11-16	Complete	

Debtors:
1817955 ONTARIO LTD.
RR1
PORT ELGIN, ON, N0H2C5 CA

Secured Parties:
MORRISON FINANCIAL MORTGAGE CORPORATION
SUITE 202 - 8 SAMPSON MEWS
TORONTO, ON, M3C0H5

General Collateral

Collateral Classifications: ☐ Consumer Goods ☐ Inventory ☐ Equipment ☐ Accounts ☐ Other ☐ MV Included

Current Collateral:
(1) GENERAL SECURITY AGREEMENT RELATING TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR USED IN CONNECTION WITH OR ARISING FROM THE PROPERTY MUNICIPALLY KNOV GODERICH STREET, PORT ELGIN, ONTARIO (2) ASSIGNMENT OF INSURANCE PROCEEDS ARISING FROM 1020 GODERICH STREET, PORT ELGIN, ONTARIO (3) ASSIGNMENT OF RENTS AND LEASES RESPECTING 1020 (STREET, PORT ELGIN, ONTARIO

Registering Agent
ESC Corporate Services Ltd.
201-1325 Polson Drive
Vernon, BC, V1T8H2
adminavs@eservicecorp.ca

REGISTRY COMPLETE

Client Reference that matches QUICK SEARC

Logged in as: F
Last login: 202

Francais

Lien Report

Select Province

Enter Details

Review Draft

Confirm Details

Pending Registration

Registration Complete

AMENDMENT RENEW DISCHARGE

Order Number:	17932738
Client Reference:	s30925 Edit
Registration Type:	Lien
Registration #:	20211115 1250 1901 1420
ON File #:	778261798
Registration Date:	16 Nov 2021
Service Province:	ON (Duplicate Set in another jurisdiction)
Term (years):	2
Amount of Lien:	$9,541,545.25
Expiry Date:	2024-11-16
Maturity Date:	No fixed Maturity Date
Requester:	Frederick Shaw
Caution Filing:	☐

File History

Service	Province	Requested	Status	PDF
Lien	ON	2021-11-16	Complete	

Debtors:

ANDREW T HILL
(1963-10-23) RR 1
PORT ELGIN, ON, N0H2C5 CA

Secured Parties:

MORRISON FINANCIAL MORTGAGE CORPORATION
SUITE 202 - 8 SAMPSON MEWS
TORONTO, ON, M3C0H5

General Collateral

Collateral Classifications: ☐ Consumer Goods ☐ Inventory ☐ Equipment ☐ Accounts ☐ Other ☐ MV Included

Current Collateral:

ASSIGNMENT OF DEBTS OWING TO THE DEBTOR BY 1817955 ONTARIO LTD.

Registering Agent

ESC Corporate Services Ltd.
201-1325 Polson Drive
Vernon, BC, V1T8H2
adminaws@eservicecorp.ca

This is **Exhibit "13"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

GUARANTEE AND POSTPONEMENT OF CLAIMS

AGREEMENT made as of the 18 day of November, 2021 by ANDREW TERENCE HILL (the "Guarantor") to and in favour of MORRISON FINANCIAL MORTGAGE CORPORATION, Suite 202, 8 Sampson Mews, Toronto, Ontario M3C 0H5 (the "Creditor").

IN CONSIDERATION of the sum of $10; hereby and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Guarantor agrees with the Creditor as follows:

1. Guaranteed Obligations

The Guarantor irrevocably and unconditionally guarantees the due and punctual payment and performance of all present and future debts, liabilities and obligations together with interest thereon of 1817955 ONTARIO LTD. (the "Debtor") to the Creditor whenever, however or wherever incurred and any ultimate unpaid balance thereof (collectively, the "Guaranteed Obligations").

2. Costs and expenses

The Guarantor agrees to pay the Creditor, upon demand, all out-of-pocket costs and expenses (including, without limitation, legal fees on a solicitor and client basis) incurred by or on behalf of the Creditor in connection with enforcing any of its rights against the Debtor in respect of the Guaranteed Obligations or against the Guarantor.

3. Right to immediate payment

The Creditor shall not be bound to seek or exhaust its recourse against the Debtor or any other persons or to realize on any securities it may hold in respect of the Guaranteed Obligations before being entitled to payment from the Guarantor under this Guarantee and the Guarantor renounces all benefits of discussion and division, and waives any right to require the Creditor to proceed against the Debtor..

4. Payment on demand

The liability of the Guarantor shall be payable immediately upon written demand and such demand shall be conclusively deemed to have been effectually made and given when an envelope containing such demand, addressed to the Guarantor, is delivered to the attention of the Guarantor at the address of the Guarantor set forth in this Guarantee or at such other address as the Guarantor may from time to time designate to the Creditor in writing. The liability of the Guarantor shall bear interest from the date of such demand and both before and after judgment at the rate equal to the greater of 10.0% per annum, calculated daily and compounded monthly and the Bank of Nova Scotia posted prime rate of interest ("Prime Rate") as adjusted from time to time plus 7.55% per annum, calculated daily and compounded and due monthly.

5. Statement of accounts

Any account settled or stated by or between the Creditor and the Debtor, or if any such account has not been so stated or settled prior to any demand for payment, any account stated by the Creditor shall, in the absence of manifest error, be accepted by the Guarantor as conclusive evidence that the amount of the Guaranteed Obligations so settled or stated is due and payable by the Debtor to the Creditor or remains unpaid by the Debtor to the Creditor.

6. Liability absolute

The liability of the Guarantor shall be absolute and unconditional irrespective of:

(a) the invalidity, unenforceability or illegality, in whole or in part, of any agreements, instruments or other documents held by the Creditor to create, represent or evidence any Guaranteed Obligations;
(b) any defence, counterclaim or right of set-off available to the Debtor;
(c) any change in the name, objects, capital, constating documents or by-laws of the Debtor or the Guarantor;

(d) the sale of the business of the Debtor, or any amalgamation, merger or re-organization of the Debtor or, if a partnership, in the firm, including, without limitation, by reason of the death, retirement or admission for membership of any partners (in which case this agreement shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom); or

(e) any other circumstances which might otherwise constitute, in whole or in part, a defence available to, or a discharge of, the Guarantor, the Debtor or any other persons, firms or corporations in respect of the Guaranteed Obligations or the liability of the Guarantor.

7. Dealings by Creditor

The Creditor may, without giving notice to or obtaining the consent of the Guarantor, grant time, renewals, extensions and other indulgences, take and give up securities (which word as used herein includes other guarantees), accept compositions, grant releases and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with the Debtor and others (including, without limitation, any other guarantors) and securities, hold any moneys received from the Debtor and others or from any securities unappropriated, apply such moneys against such part of the Guaranteed Obligations and change any such application in whole or in part from time to time, all as the Creditor may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor and no loss of or in respect of any securities received by the Creditor from the Debtor or any other persons, whether occasioned through the fault of the Creditor or otherwise, shall in any way discharge or diminish the liability of the Guarantor, under this Guarantee.

8. Liability as principal debtor

All debts, liabilities and obligations purporting to be incurred by the Debtor and owing to the Creditor shall form part of the Guaranteed Obligations despite any incapacity, disability, or lack or limitation of status or power of the Debtor or any of its directors, officers or agents or that the Debtor may not be a legal entity or any irregularity or defect or informality in the incurring of such debts, liabilities or obligations and any such debts, liabilities and obligations which may not be recoverable from the Guarantor as guarantor shall be recoverable from the Guarantor as principal debtor upon demand and with interest, calculated and payable as provided in this Guarantee.

9. Continuing nature and reinstatement

This Guarantee is a continuing guarantee and shall apply to and secure payment of all Guaranteed Obligations and any ultimate unpaid balance thereof and it shall remain in full force and effect notwithstanding the release or discharge of the Debtor for any reason whatsoever, other than payment in full or the performance of the Guaranteed Obligations. This Guarantee shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Creditor upon the insolvency, bankruptcy or reorganization of the Debtor or for any other reason whatsoever, all as though such payment had not been made.

10. Liquidation, bankruptcy, etc.

In the event of any liquidation, winding up, insolvency or bankruptcy of the Debtor (whether voluntary or compulsory) or in the event that the Debtor shall make a bulk sale of any of its assets within the bulk transfer provisions of any applicable legislation or any composition with creditors or scheme of arrangement, the Creditor shall have the right to rank in priority to the Guarantor for its claim in respect of the Guaranteed Obligations and to receive all dividends or other payments in respect thereof until its claim has been paid in full, all without prejudice to its claim against the Guarantor who shall continue to be liable for any remaining unpaid balance of the Guaranteed Obligations. In the event of any valuation or retention by the Creditor of any securities, such valuation or retention shall not, as between the Creditor and the Guarantor, be considered payment, satisfaction or reduction of any Guaranteed Obligations.

11. Waiver of subrogation rights

In the event that the Creditor receives any payments on account of the liability of the Guarantor, the Guarantor shall not have, and waives to the extent required, all rights to claim repayment from or against the Debtor and any other guarantors and all rights to be subrogated to any rights of the Creditor, until the Guaranteed Obligations have been paid in full.

12. Termination of further liability

Subject to the terms and conditions contained in this Section 12, the Guarantor may by written notice to the Creditor, delivered to the attention of Graham Banks at the address of the Creditor set forth in this Guarantee or at such other address as the Creditor may from time to time designate to the Guarantor in writing, terminate any further liability in respect of Guaranteed Obligations incurred by the Debtor more than 30 days (the "Notice Period") after receipt of such notice. The Guarantor shall remain liable for all Guaranteed Obligations incurred prior to, but maturing after, the expiration of the Notice Period and for all Guaranteed Obligations incurred after the expiration of the Notice Period pursuant to any prior commitments (express or implied) of the Creditor. This Guarantee shall not terminate upon the death or incapacity of the Guarantor or upon receipt by the Creditor of any notice in respect thereof and the heirs, legal representatives, successors and assigns of the Guarantor shall continue to be liable, unless and to the extent that any further liability is terminated as provided in this Guarantee.

13. Postponement and assignment of claims

All present and future debts, liabilities and obligations of the Debtor to the Guarantor (collectively the "Assigned Obligations") are postponed to the payment of the Guaranteed Obligations and are assigned by the Guarantor to the Creditor as continuing security for the payment of the liability of the Guarantor. Any moneys or other property received by the Guarantor in respect of any Assigned Obligations shall be received in trust for, and immediately upon receipt paid over to, the Creditor with all necessary endorsements and assignments and pending such payment shall be held separate and apart from all other property held by the Guarantor. Any moneys received by the Creditor pursuant to this section 13, including moneys derived from instruments and any other property, may be applied against any Guaranteed Obligations or held by the Creditor as continuing security for the liability of the Guarantor or released to the Guarantor, all as the Creditor may see fit and without prejudicing or in any way discharging or diminishing the liability of the Guarantor. In the event that the further liability of the Guarantor is terminated, the provisions of this Guarantee relating to the postponement and assignment of the Assigned Obligations shall continue in full force and effect until the Guaranteed Obligations have been paid in full and the Creditor is under no obligation to make any further advances or extend any other financial accommodation to or for the benefit of the Debtor. Despite the foregoing, the Guarantor shall be entitled to receive and deal with any payments on account of any Assigned Obligations in the form of [salaries and any other permitted payments] made by the Debtor in the ordinary course of business prior to a default in the payment of any Guaranteed Obligations. The assignment and postponement of claims herein contained is independent of this Guarantee and shall remain in full force and effect notwithstanding that the liability of the Guarantor under this Guarantee may be extinct.

14. No rights of set-off

All amounts payable by the Guarantor shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which case the Guarantor shall pay to the Creditor such additional amount as shall be necessary to ensure that the Creditor receives the full amount it would have received if no such deduction or withholding had been made.

15. Entire agreement

There are no representations, conditions, promises, agreements or understandings with respect to this Guarantee or affecting the liability of the Guarantor other than as set forth or referred to in this Guarantee. Possession of this Guarantee by the Creditor shall

be conclusive evidence against the Guarantor that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with and this Guarantee shall be operative and binding notwithstanding the non-execution thereof by any proposed signatory.

16. Additional security

This Guarantee is in addition and without prejudice to any obligation or security of any kind by whomever given (including, without limitation, any guarantees, whether or not in the same form as this Guarantee) now or hereafter held by the Creditor.

17. Further assurances

The Guarantor shall from time to time upon the request of the Creditor, execute and deliver, under seal or otherwise, all such further agreements, instruments and documents and do all such further acts and things as the Creditor may require to give effect to the transactions contemplated by this Guarantee.

18. Successors, assigns and governing law

This agreement shall enure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of the Guarantor and the Creditor and shall be governed by and construed in accordance with the laws of the Province of Ontario. The Guarantor irrevocably submits to the jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Guarantee but nothing shall prevent the Creditor from enforcing this Guarantee or any related judgment against the Guarantor in any other jurisdiction. This Guarantee shall not be assigned by the Guarantor without the prior written consent of the Creditor.

19. Electronic Execution

This agreement may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

20. Acknowledgment of receipt

The Guarantor acknowledges receipt of a copy of this Guarantee.

SIGNED, SEALED AND DELIVERED at Port Elgin, Ontario this 18 day of November, 2021.

WITNESS:

As to the signature of

Andrew Terence Hill

This is **Exhibit "14"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: 1817955 ONTARIO LTD. – First priority Charge to MORRISON FINANCIAL MORTGAGE CORPORATION
Part Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Saugeen Shores (PIN 33268-2035) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Charge and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Charge in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 18th day of November, 2021.

1817955 ONTARIO LTD.

Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

as to the signature of
LORI C. MACINTOSH
Barrister & Solicitor
669 Gustavus Street, Box 579
Port Elgin, ON N0H 2C0

Andrew Terence Hill – Guarantor

Properties

PIN	33268 - 2035 LT *Interest/Estate* Fee Simple
Description	PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES
Address	1020 GODERICH STREET PORT ELGIN

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	1817955 ONTARIO LTD.
	Acting as a company
Address for Service	Andrew Hill R.R. #1 Port Elgin, Ontario N0H 2C5

I, Andrew Terence Hill, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name	MORRISON FINANCIAL MORTGAGE CORPORATION
	Acting as a company
Address for Service	Suite 202 8 Sampson Mews Toronto, ON M3C 0H5

Provisions

Principal	$9,541,546.25	*Currency*	CDN
Calculation Period	See Schedule		
Balance Due Date	ON DEMAND		
Interest Rate	See Schedule		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	ANDREW TERENCE HILL		

Additional Provisions

See Schedules

SCHEDULE OF ADDITIONAL PROVISIONS

TAXES

1. The Chargor covenants with the Chargee that it will pay or cause to be paid, promptly as they fall due, all taxes (the "Taxes") imposed with respect to the property (the "Property") described in the Charge/Mortgage of Land to which this schedule is attached (that Charge/Mortgage of Land and this Schedule together called the "Charge") and will within thirty (30) days following the date when each instalment thereof becomes due and payable provide the Chargee with evidence satisfactory to it of payment thereof; provided that:

(a) Upon the occurrence of an Event of Default (as described herein) , the Chargor shall, if required by the Chargee, on each of the monthly instalment dates set forth in the Charge pay to the Chargee in addition to all other monies hereby required to be paid by the Chargor one-twelfth (1/12) of such sum as the Chargee may from time to time estimate to be required in order to provide funds sufficient to pay in full the unpaid Taxes and Taxes next becoming due and payable with regard to the then current calendar year and shall transmit to the Chargee all tax bills and other notices relative to the imposition of Taxes on the Property forthwith after receipt thereof by it;

(b) all payments so made by the Chargor to the Chargee pursuant to this covenant shall, at the option of the Chargee, be either credited to an account relating to this Charge (hereinafter called the "tax account") on the Chargee's books of account or applied against the principal sum or other monies due and owing hereunder;

(c) so long as the Chargee requires such additional payments to be made the Chargee shall pay the Taxes as they fall due or at such earlier time as the Chargee deems fit and the amount thereby expended shall be debited against the tax account to the extent that the amount in the tax account is sufficient and the Chargee may at its option either debit to the tax account or add to the principal sum hereof, an amount, if any, by which the tax account is insufficient;

(d) any debit balance from time to time in the tax account shall bear interest at the same rate calculated in the same manner as the principal sum payable hereunder and shall together with such interest be secured hereby; and

(e) the amount, if any, by which the aggregate of the Taxes which have been paid by the Chargee exceed at any time and from time to time the aggregate of all payments which have been made by the Chargor to the Chargee pursuant to this covenant, together with interest accrued on any debit balance as aforesaid, shall be payable by the Chargor forthwith on demand therefor at any time and from time to time.

ASSIGNMENT OF RENTS

2. In consideration of the Chargee agreeing to advance the monies secured by the Charge upon the terms and conditions set out herein and for other good and valuable consideration received, the receipt and sufficiency whereof is hereby acknowledged, the Chargor hereby assigns to the Chargee, its successors and assigns all rents (the "Rentals") reserved and payable under all present and future leases and agreements to lease premises comprising all or a portion of the Property (the "Leases"), and all benefits, rights, and advantages to be derived from the said Leases and the Chargor hereby authorizes and instructs the lessees thereunder to pay to the Chargee all monies owing by them in connection therewith.

PROVIDED that nothing herein shall be deemed to have the effect of making the Chargee responsible for the collection of the Rentals or any part thereof, or for the performance of any covenant, term or condition, either by the lessor or lessee, contained in any of the Leases, and that the Chargee shall not, by virtue of this indenture be deemed to be a mortgagee in possession of the Property.

PROVIDED also that the Chargee shall be liable to account for only such monies as may actually come into its hands by virtue of this assignment of rentals, less proper collection charges, and that such monies when so received by the Chargee shall be applied on account of the monies due under the Charge.

AND PROVIDED FURTHER that the payment of Rentals provided to be paid in the Leases, as and when they fall due are to be made to the Chargor until such time as the Chargee shall have notified the lessees thereunder in writing that default has occurred in the payment of principal and/or interest provided to be paid by the Charge and/or performance of the covenants contained in the Charge, and notifies the said lessees to pay the Rentals to the Chargee.

AND PROVIDED FURTHER that the Chargee shall collect Rentals from the lessees under the said Leases only during such period as the Charge remains in default in accordance with its terms thereof and when such default is remedied from time to time the Chargor shall have the right to resume collection of the Rentals until further default occurs and so from time to time.

ADDITIONAL CHARGEE'S COVENANTS

3. The Chargor covenants with the Chargee that:

(a) The Chargor will use commercially reasonable efforts to have any default on any part of the tenant, or subtenant thereof, under any Lease cured as promptly as possible.

(b) The Chargor will pay, or cause to be paid, as and when the same become due and payable, all Taxes, liens, charges, encumbrances or claims which are, or may become, charges or claims against the Property, or any part thereof.

(c) The Chargor will furnish to the Chargee, at its own expense, an annual statement of the operation of the Property showing in detail total rents recorded and total expenses incurred together with annual balance sheets and profit and loss statements and current rent-roll within one hundred twenty (120) days after the close of each fiscal year of the Chargor. If an Event of Default has occurred all such statements shall, at the Chargee's option, be certified by a chartered accountant.

(d) The Chargor shall permit the Chargee, or its agent or agents, at all reasonable times to make investigations or examinations concerning the performance of the Chargor of its obligations under this Charge and to have access to any and all of the Property for the purpose of inspecting or protecting the same. The Chargor shall take all reasonable steps, including legal proceedings, to protect its own right, title, and interest in any of the Property and to enable the Chargee to defend the interest of the Chargee therein.

(e) The Chargor shall furnish to the Chargee, within thirty (30) days after a request by the Chargee to do so, a written statement containing the names of all lessees of the Property, the terms of their respective Leases, and the spaces occupied and the rental paid.

(f) The Chargor shall promptly comply, or cause compliance with, all present and future laws, ordinances, rules, regulations, and other requirements of all governmental authorities whatsoever having jurisdiction with respect to the Property or any portion thereof or the use or occupation thereof; provided, however, that the Chargor may postpone such compliance (provided such non-compliance shall not subject the Chargee to liability of criminal prosecution or any penalty) if and as long as the validity or legality of any such governmental requirement shall be contested by the Chargor, with diligence and in good faith, by appropriate legal proceedings.

(g) The Chargor covenants and agrees with the Chargee that it will not accept or require payment of fixed minimum monthly rent, or other rent of a like nature payable to the Chargor under any Lease that relates to a specific period, more than one (1) month prior to the commencement of that period or that will result in more than one (1) month of such prepayments being made to secure the performance of any tenant's obligations or representing a bona fide precalculation of any other amounts payable under the Lease other

than the payment of such rent. The Chargor further covenants and agrees not to terminate, forfeit, or accept a surrender of any lease of premises comprising part or all of the Property except in accordance with good property management practice.

(h) The Chargor shall pay to the Chargee, in addition to all other sums payable hereunder, an administration fee of THREE HUNDRED DOLLARS ($300.00) for any post-dated or pre-authorized cheques that are returned or dishonoured by the Chargor's financial institution for any reason.

(i) Without limiting any other covenant or provision of the Chargor hereunder, the Chargor shall at all times comply with, and shall use commercially reasonable efforts to cause all tenants and occupants of the Property to comply with, and the Property shall at all times be in compliance with, all laws (including all statutes, regulations, guidelines, orders, notices, demands, or approvals of any authority with jurisdiction) relating to the generation, use, handling, treatment, storage, transportation, or disposal of pollutants or relating to pollution or to the protection, remediation, or preservation of the environment, or otherwise relating to environmental matters; The Chargor and the Guarantor, jointly and severally, will indemnify and save harmless the Chargee its officers and directors from and against all claims, demands, costs, expenses, actions, suits, judgments, orders, penalties, fines, and liabilities whatsoever arising from any breach of the foregoing covenant or arising from any discharge or migration of any pollutants onto or from the Property. "Pollutants" shall mean substances generally considered pollutants and shall include without limitation any substances that are prohibited, controlled, or regulated, toxic substances, wastes, contaminants, hazardous or dangerous goods or wastes, explosives, petroleum and related products, radio-active substances, materials being or containing asbestos, polychlorinated byphenyls, or urea formaldehyde.

EVENTS OF DEFAULTS, REMEDIES OF CHARGEE

4. In this Schedule an "Event of Default" means each and every one of the following events:

(a) if the Chargor defaults in payment of the Principal Amount secured by this Charge (the "Principal Sum") or interest payable hereunder, or any portion thereof, when the same becomes due under any provision hereof; or

(b) if the Chargor fails to pay Taxes as and when due (save and except when the validity thereof is, in good faith, contested by the Chargor and it has given security for payment thereof in full); or

(c) if the Chargor defaults in observing or performing any covenant, agreement, provision, term or condition contained in this Charge, or contained in the Standard Charge Terms referred to in this Charge or contained in this Schedule or any other schedule to this Charge, or

(d) if the Chargor becomes insolvent or bankrupt or a trustee in bankruptcy be appointed for the Chargor or if the Chargor makes a general assignment for the benefit of its creditors, or goes into liquidation either voluntarily or under an order of a Court of competent jurisdiction or otherwise acknowledges its insolvency or any writs of execution or sequestration are issued against the property of the Chargor; or

(e) if a Lease is terminated or cancelled as a result of any default by the Chargor thereunder, which default is not cured within the period of limitation stipulated therein for curing the same without the Chargee's prior written approval; or

(f) if, without the written consent of the Chargee, the Chargor defaults in observing or performing any covenant or condition on its part to be observed or performed under a Lease and if such default is not cured within the period stipulated therein for curing the same; or

(g) if, without the prior written approval of the Chargee, there is a change in control of the Chargor, or a change in the beneficial ownership of the Property; or

(h) if the Chargor fails to observe or perform any condition, agreement, covenant or term set out in any other document creating a contractual relationship between the Chargor or Chargee herein.

5. Provided that an Event of Default shall be deemed not to have occurred unless and until the Chargee has given notice to the Chargor that such event has occurred, which notice shall set out in reasonable detail the nature of such event, and;

(a) in the case of an event described in subparagraph 4(a) above the Chargor has not remedied such default within five (5) business days of receipt of such notice; and

(b) in the case of any other event described in paragraph 4 of this Schedule which is capable of being remedied, the Chargor has failed to commence to remedy such default within fifteen (15) days of receipt of such notice or has failed to thereafter diligently and continuously proceed to remedy such default, or has failed to remedy such default within a reasonable time and in any event within ninety (90) days after delivery of such notice;

Without limiting the generality of the foregoing it is expressly acknowledged and agreed that the occurrence of an event described in subparagraph 4(g) above is not capable of being remedied.

6. The Chargor hereby covenants and agrees with the Chargee that subject to the provisions of paragraph 8 of this Schedule, upon the occurrence of an Event of Default the Chargee may in its discretion declare the Principal Sum, together with interest thereon and other monies (if any) owing hereunder, to be forthwith due and payable and the same shall forthwith become immediately due and payable to the Chargee on demand and the Chargor shall pay forthwith to the Chargee on demand the Principal Sum and interest then accrued hereunder and all other monies secured hereby and interest thereon, and interest upon overdue interest as herein provided until payment is received by the Chargee, and such payment when made shall be deemed to have been on account of the monies due and owing under this Charge.

7. The Chargee may in writing at any time or times waive an Event of Default after the occurrence thereof upon such terms and conditions as it shall prescribe; provided, however, that any such waiver shall apply only to the particular Event of Default waived and shall not operate as a waiver of any other or future Event of Default.

8. Upon the occurrence of an Event of Default, the Chargee may, in its discretion:

(a) take possession of all or any part or parts of the Chargor's interest in the Property with power to exclude the Chargor and its agents and servants therefrom; preserve and maintain the Property and make such replacements thereto and additions thereto as it shall deem judicious; receive the Chargor's shares of the rents, incomes and profits thereof of any kind whatsoever and pay therefrom all expenses of maintaining, preserving, protecting and operating the Property and all charges against the Property ranking in priority to this Charge or payment of which may be necessary to preserve or protect the Property, and pay out the remainder of the money so received, and not required for any of the purposes provided for in this paragraph 8 of this Schedule in accordance with the provisions of paragraph 15 of this Schedule; renew from time to time any or all of the Leases; and enjoy and exercise all powers necessary to the performance of all functions provided for in this subparagraph 8(a) of this Schedule including, but not in limitation thereof, the power to purchase on credit, borrow money in the Chargor's or its own name, advance its own monies at such rates of interest as shall be reasonable and to enter into contracts and undertake obligations for the foregoing purposes upon the security hereof; provided that the Chargee shall, upon all Events of Default being made good or waived as herein provided, restore the Property to the Chargor subject to the mortgage created by this Charge as if no Event of Default had occurred; and/or

(b) apply to a Court of competent jurisdiction for the appointment of a receiver or

receiver and manager to take possession of all or such part or parts of the Property as the Chargee shall designate, with such duties, powers and obligations as the Court making the appointment shall confer; and the Chargor hereby consents to the appointment of such receiver or receiver and manager; and/or

(c) with or without entry into possession of the Property or any part thereof, by writing duly executed by the Chargee, appoint a receiver, which term shall include a receiver and manager, of the Property or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any receiver and appoint another in his stead and upon the appointment of any such receiver or receivers from time to time the following provisions shall apply:

(i) every such receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect of the Property or any part thereof whether in respect of any tenancies created in priority to this Charge or subsequent thereto;

(ii) every such receiver may, in the discretion of the Chargee and by writing under its corporate seal, be vested with all or any of the powers and discretions of the Chargee;

(iii) the Chargee may from time to time by such writing fix the reasonable remuneration of every such receiver who shall be entitled to deduct the same out of the receipts from the Property or the proceeds thereof;

(iv) every such receiver shall, so far as concerns the responsibility for his acts or omissions, be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;

(v) the appointment of every such receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receivership shall not have the effect of constituting the Chargee a Chargee in possession in respect of the Property or any part thereof;

(vi) every such receiver shall have from time to time, the power to rent any portion of the Property which may become vacant for such term and subject to such provisions as he may deem advisable or expedient and in so doing every such receiver shall act as the attorney or agent of the Chargor and he shall have authority to execute under seal any lease of any such premises in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such receiver may lawfully do in the premises;

(vii) every such receiver shall have full power to manage, operate, amend, repair, alter or extend the Property or any part thereof in the name of the Chargor for the purpose of securing the payment of rental from the Property or any part thereof;

(viii) no such receiver shall be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Property or any part thereof and every such receiver shall apply such cash so received to pay in the following order:

i. its remuneration aforesaid;

ii. all expenses properly made or incurred by it in connection with the management, operations, amendment, repair, alteration or extension of the Property or any part thereof;

iii. money which may from time to time be or become charged upon the Property in priority to this Charge, and all taxes, insurance premiums and every other property expenditure made or incurred by it in respect to the

Property or any part thereof;

iv. all interest due or falling due, other monies (if any) on account of proper expenditures made or incurred by or for the Chargee and the Principal Sum, or the balance thereof, secured by this Charge, and

v. thereafter any surplus remaining in the hands of every such receiver to the Chargor or its assigns; and

(ix) the Chargee may at any time and from time to time terminate any such receivership by notice in writing, duly executed by the Chargee, to the Chargor and to any such receiver; and/or

(d) subject to the provisions of any applicable legislation, with or without taking possession, sell all or part of the Property either as a whole or in separate parcels, at public auction or by public tender, at such time and places, subject to adjournment from time to time by the Chargee, on such terms and conditions as to upset or reserve bid or price and as to payment for cash or credit as the Chargee shall appoint; and if there is no purchase at such sale or tender, the Chargee may sell at private sale for cash or credit without further notice; and/or

(e) realize all or part or parts of the security hereby constituted by any other means of any nature or kind whatsoever that a Court of competent jurisdiction shall approve as being just and expedient in the circumstances having regard to the nature of the operations carried on upon the Property, including any other action, suit, remedy or proceeding authorized or permitted by this Charge or by law or in equity, and not necessarily limited to those means of realization which the Court is given jurisdiction to approve by statute; and/or

(f) with or without taking possession, take any action or proceedings to enforce the performance of any covenant contained in any of the Leases; and/or

(g) take any action or proceedings to enforce payment of the Principal Sum and interest and other monies secured hereunder or performance of any other covenant contained herein, or to enforce the security hereby constituted, and to bring to sale the Property or any part or parts thereof under a judgment or decree of a Court or Courts of competent jurisdiction or by the enforcement of any other legal remedy which the Chargee shall deem most effectual to protect and enforce any of its rights hereunder.

9. No remedy conferred upon or reserved to the Chargee by this Schedule is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Schedule, or under the Standard Charge Terms filed as Number 200033 referred to in this Charge or now existing or hereafter to exist by law or by statute as modified herein. Without limiting the generality of the foregoing, the taking of a judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the right of the Chargee to the interest as provided in this Charge.

10. Save and except as to claims at law or in equity to an accounting, the Chargee shall not, nor shall any receiver or receiver and manager appointed by it, be responsible or liable, otherwise than as an agent of the Chargor, for any debts contracted by it, for damages to persons or property, or for salaries or non-fulfilment of contracts during any period wherein the Chargee or such receiver or receiver and manager shall manage the Property or any part thereof upon or after entry, as herein provided and the Chargee shall not be bound to do, observe or perform or to see to the observance or performance by the Chargor of any of the obligations herein imposed upon the Chargor, nor in any other way to supervise or interfere with the conduct of the Chargor's operation of the Property.

11. The Chargor covenants and agrees with the Chargee that, in the case of any judicial or other proceedings to enforce the security hereby created, judgment may be rendered against the Chargor in favour of the Chargee for any amount which may remain due in respect of the Principal Sum, interest thereon and other monies (if any) owing hereunder after the application to the payment

thereof of the proceeds of any sale of the Property or any part thereof or any Additional Security therefor.

12. In the event of any sale in accordance with the provisions of this Charge whether by the Chargee or under judicial proceedings, the Chargor agrees that it will execute and deliver to the purchaser on demand any instrument or assurance reasonably necessary to confirm to the purchaser the title of the property so sold, and, in the case of any such sale, the Chargee is hereby irrevocably authorized by the Chargor to execute on its behalf and in its name any such confirmatory instrument or assurance.

13. No person dealing with the Chargee or its agents shall be concerned to inquire whether the powers which the Chargee or such agents are purporting to exercise have become exercisable, or whether any money remains due upon the security of this Charge or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or of any other dealing by the Chargee with the Property or to see to the application of any money paid to the Chargee; and, in the absence of fraud on the part of such person, such dealings shall be deemed, insofar as regards the safety and protection of such person, to be within the powers hereby conferred and to be valid and effectual accordingly.

14. The Chargee may pay all costs, charges and expenses which may be incurred in taking, recovering, and keeping possession of the Property and all reasonable fees and expenses of Counsel for or in respect of the collection of any overdue interest, principal, insurance premiums or any other monies whatsoever payable by the Chargor hereunder whether any action or any judicial proceedings to enforce such payments has been taken or not and the amount so paid shall be added to the debt hereby secured and be a charge on the Property and shall bear interest at the rate specified in this Charge for payment of interest on the principal balance outstanding from time to time and shall be payable forthwith by the Chargor to the Chargee.

APPLICATION OF MONIES

15. Except as herein otherwise expressly provided, the monies arising from the possession by the Chargee of the Property, or any Additional Security thereto, or from any sale or realization of the whole or any part of the Property (except by foreclosure), or any Additional Security thereto, pursuant to any proceedings based upon an Event of Default hereunder, whether under any sale by the Chargee or by judicial proceedings or otherwise, shall be applied in the first place to pay or reimburse to the Chargee the costs, charges, expenses, advances and compensation of the Chargee incurred in taking, recovering and keeping possession of, and managing, operating, amending, repairing, altering, or extending the Property or any Additional Security thereto, or generally in any other proceedings taken hereunder in connection with or to realize upon the security hereof, with interest thereon as herein provided, and all Taxes and other charges ranking in priority to the security of this Charge and the residue of the said monies shall be applied first in or towards payment of the interest due or falling due under this Charge and then towards payment of the Principal Sum due and payable and secured by this Charge unless the Chargee shall have directed payments to be made in accordance with any other order of priority, or without priority as between the Principal Sum and interest, in which case such monies shall be applied in accordance with such direction, and the surplus (if any) of such monies shall be paid to the Chargor or its assigns.

INTEREST RATE

16. The interest rate payable on this Charge is a floating rate equal to the greater of 10.0% per annum and the Bank of Nova Scotia posted Bank prime rate of interest ("Prime Rate") as adjusted from time to time plus 7.55% per annum, calculated daily, compounded and payable monthly, not in advance.

PREPAYMENT PRIVILEGES

17. It is anticipated that repayment of the Charge will be made from the sale of completed units in the project being undertaken by the Chargor on the Property secured by this Charge. All net

closing proceeds from such sales shall be directed to the Chargee whom, upon receipt, shall reduce the balance of the principal secured by this Charge accordingly. Upon receipt of payment of the said net sale proceeds the Chargee shall provide a partial discharge of this Charge in order to facilitate the closing of a sale. The "net sale proceeds" means the sale price of the completed unit in question, less deposits received by the Chargee or utilized in the development of the Property, legal fees approved by the Chargee, property taxes paid by the Chargor, net of Harmonized Sales Tax. Any deferred sales commissions are expressly excluded from the calculation of "net sales proceeds" and shall not be deducted from the sale proceeds in priority to repayment of the amounts owing on the Charge.

COLLATERAL SECURITY TO COMMITMENT

18. The terms and provisions of this Charge are collateral to and are in addition to the terms contained in the mortgage loan commitment letter issued by the Chargee to the Chargor dated October 26th, 2021 and accepted by the Chargor on October 26th, 2021 (the "Loan Agreement") and in the event of any conflict between the terms of this Charge and the terms and conditions of the said Loan Agreement the terms and conditions of the Laon Agreement shall prevail.

GENERAL

19. All provisions of this Schedule are in addition to and not in substitution for the provisions of the Standard Charge Terms Number 200033. In the event of a conflict between the provisions of this Schedule and the provisions of those Standard Charge Terms, the provisions of this Schedule shall prevail.

20. The provisions of the Standard Charge Terms 200033 are hereby amended as follows:

(a) Paragraph 4 has the following added on the end: "and as disclosed in the records of the Land Registry Office.";

(b) The word "leases" is deleted from the first line of Paragraph 14; and

(c) The "without the Chargee's prior written consent (other than leases in the ordinary course of the Chargor's business)" are inserted after "land" in the first line of Paragraph 14.

This is **Exhibit "15"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN	33268 - 2035 LT	*Interest/Estate*	Fee Simple
Description	PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES		
Address	1020 GODERICH STREET PORT ELGIN		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	1817955 ONTARIO LTD.
Address for Service	Andrew Hill R.R. #1 Port Elgin, Ontario N0H 2C5

I, Andrew Terence Hill, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name	MORRISON FINANCIAL MORTGAGE CORPORATION
Address for Service	Suite 202 8 Sampson Mews Toronto, ON M3C 0H5

Provisions

Principal	$9,541,546.25	*Currency*	CDN
Calculation Period	See Schedule		
Balance Due Date	ON DEMAND		
Interest Rate	See Schedule		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	ANDREW TERENCE HILL		

Additional Provisions

See Schedules

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Chargor(s)	Signed	2021 11 24

Tel 416-484-8558

Fax 416-484-6918

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

RUDERMAN, SHAW	Suite 801 - 40 Holly Street Toronto M4S 3C3	2021 11 24

Tel 416-484-8558

Fax 416-484-6918

Fees/Taxes/Payment

Statutory Registration Fee	$66.30
Total Paid	$66.30

SCHEDULE OF ADDITIONAL PROVISIONS

TAXES

1. The Chargor covenants with the Chargee that it will pay or cause to be paid, promptly as they fall due, all taxes (the "Taxes") imposed with respect to the property (the "Property") described in the Charge/Mortgage of Land to which this schedule is attached (that Charge/Mortgage of Land and this Schedule together called the "Charge") and will within thirty (30) days following the date when each instalment thereof becomes due and payable provide the Chargee with evidence satisfactory to it of payment thereof; provided that:

(a) Upon the occurrence of an Event of Default (as described herein) , the Chargor shall, if required by the Chargee, on each of the monthly instalment dates set forth in the Charge pay to the Chargee in addition to all other monies hereby required to be paid by the Chargor one-twelfth (1/12) of such sum as the Chargee may from time to time estimate to be required in order to provide funds sufficient to pay in full the unpaid Taxes and Taxes next becoming due and payable with regard to the then current calendar year and shall transmit to the Chargee all tax bills and other notices relative to the imposition of Taxes on the Property forthwith after receipt thereof by it;

(b) all payments so made by the Chargor to the Chargee pursuant to this covenant shall, at the option of the Chargee, be either credited to an account relating to this Charge (hereinafter called the "tax account") on the Chargee's books of account or applied against the principal sum or other monies due and owing hereunder;

(c) so long as the Chargee requires such additional payments to be made the Chargee shall pay the Taxes as they fall due or at such earlier time as the Chargee deems fit and the amount thereby expended shall be debited against the tax account to the extent that the amount in the tax account is sufficient and the Chargee may at its option either debit to the tax account or add to the principal sum hereof, an amount, if any, by which the tax account is insufficient;

(d) any debit balance from time to time in the tax account shall bear interest at the same rate calculated in the same manner as the principal sum payable hereunder and shall together with such interest be secured hereby; and

(e) the amount, if any, by which the aggregate of the Taxes which have been paid by the Chargee exceed at any time and from time to time the aggregate of all payments which have been made by the Chargor to the Chargee pursuant to this covenant, together with interest accrued on any debit balance as aforesaid, shall be payable by the Chargor forthwith on demand therefor at any time and from time to time.

ASSIGNMENT OF RENTS

2. In consideration of the Chargee agreeing to advance the monies secured by the Charge upon the terms and conditions set out herein and for other good and valuable consideration received, the receipt and sufficiency whereof is hereby acknowledged, the Chargor hereby assigns to the Chargee, its successors and assigns all rents (the "Rentals") reserved and payable under all present and future leases and agreements to lease premises comprising all or a portion of the Property (the "Leases"), and all benefits, rights, and advantages to be derived from the said Leases and the Chargor hereby authorizes and instructs the lessees thereunder to pay to the Chargee all monies owing by them in connection therewith.

PROVIDED that nothing herein shall be deemed to have the effect of making the Chargee responsible for the collection of the Rentals or any part thereof, or for the performance of any covenant, term or condition, either by the lessor or lessee, contained in any of the Leases, and that the Chargee shall not, by virtue of this indenture be deemed to be a mortgagee in possession of the Property.

PROVIDED also that the Chargee shall be liable to account for only such monies as may actually come into its hands by virtue of this assignment of rentals, less proper collection charges, and that such monies when so received by the Chargee shall be applied on account of the monies due under the Charge.

AND PROVIDED FURTHER that the payment of Rentals provided to be paid in the Leases, as and when they fall due are to be made to the Chargor until such time as the Chargee shall have notified the lessees thereunder in writing that default has occurred in the payment of principal and/or interest provided to be paid by the Charge and/or performance of the covenants contained in the Charge, and notifies the said lessees to pay the Rentals to the Chargee.

AND PROVIDED FURTHER that the Chargee shall collect Rentals from the lessees under the said Leases only during such period as the Charge remains in default in accordance with its terms thereof and when such default is remedied from time to time the Chargor shall have the right to resume collection of the Rentals until further default occurs and so from time to time.

ADDITIONAL CHARGEE'S COVENANTS

3. The Chargor covenants with the Chargee that:

(a) The Chargor will use commercially reasonable efforts to have any default on any part of the tenant, or subtenant thereof, under any Lease cured as promptly as possible.

(b) The Chargor will pay, or cause to be paid, as and when the same become due and payable, all Taxes, liens, charges, encumbrances or claims which are, or may become, charges or claims against the Property, or any part thereof.

(c) The Chargor will furnish to the Chargee, at its own expense, an annual statement of the operation of the Property showing in detail total rents recorded and total expenses incurred together with annual balance sheets and profit and loss statements and current rent-roll within one hundred twenty (120) days after the close of each fiscal year of the Chargor. If an Event of Default has occurred all such statements shall, at the Chargee's option, be certified by a chartered accountant.

(d) The Chargor shall permit the Chargee, or its agent or agents, at all reasonable times to make investigations or examinations concerning the performance of the Chargor of its obligations under this Charge and to have access to any and all of the Property for the purpose of inspecting or protecting the same. The Chargor shall take all reasonable steps, including legal proceedings, to protect its own right, title, and interest in any of the Property and to enable the Chargee to defend the interest of the Chargee therein.

(e) The Chargor shall furnish to the Chargee, within thirty (30) days after a request by the Chargee to do so, a written statement containing the names of all lessees of the Property, the terms of their respective Leases, and the spaces occupied and the rental paid.

(f) The Chargor shall promptly comply, or cause compliance with, all present and future laws, ordinances, rules, regulations, and other requirements of all governmental authorities whatsoever having jurisdiction with respect to the Property or any portion thereof or the use or occupation thereof; provided, however, that the Chargor may postpone such compliance (provided such non-compliance shall not subject the Chargee to liability of criminal prosecution or any penalty) if and as long as the validity or legality of any such governmental requirement shall be contested by the Chargor, with diligence and in good faith, by appropriate legal proceedings.

(g) The Chargor covenants and agrees with the Chargee that it will not accept or require payment of fixed minimum monthly rent, or other rent of a like nature payable to the Chargor under any Lease that relates to a specific period, more than one (1) month prior to the commencement of that period or that will result in more than one (1) month of such prepayments being made to secure the performance of any tenant's obligations or representing a <u>bona fide</u> precalculation of any other amounts payable under the Lease other

than the payment of such rent. The Chargor further covenants and agrees not to terminate, forfeit, or accept a surrender of any lease of premises comprising part or all of the Property except in accordance with good property management practice.

(h) The Chargor shall pay to the Chargee, in addition to all other sums payable hereunder, an administration fee of THREE HUNDRED DOLLARS ($300.00) for any post-dated or pre-authorized cheques that are returned or dishonoured by the Chargor's financial institution for any reason.

(i) Without limiting any other covenant or provision of the Chargor hereunder, the Chargor shall at all times comply with, and shall use commercially reasonable efforts to cause all tenants and occupants of the Property to comply with, and the Property shall at all times be in compliance with, all laws (including all statutes, regulations, guidelines, orders, notices, demands, or approvals of any authority with jurisdiction) relating to the generation, use, handling, treatment, storage, transportation, or disposal of pollutants or relating to pollution or to the protection, remediation, or preservation of the environment, or otherwise relating to environmental matters; The Chargor and the Guarantor, jointly and severally, will indemnify and save harmless the Chargee its officers and directors from and against all claims, demands, costs, expenses, actions, suits, judgments, orders, penalties, fines, and liabilities whatsoever arising from any breach of the foregoing covenant or arising from any discharge or migration of any pollutants onto or from the Property. "Pollutants" shall mean substances generally considered pollutants and shall include without limitation any substances that are prohibited, controlled, or regulated, toxic substances, wastes, contaminants, hazardous or dangerous goods or wastes, explosives, petroleum and related products, radio-active substances, materials being or containing asbestos, polychlorinated byphenyls, or urea formaldehyde.

EVENTS OF DEFAULTS, REMEDIES OF CHARGEE

4. In this Schedule an "Event of Default" means each and every one of the following events:

(a) if the Chargor defaults in payment of the Principal Amount secured by this Charge (the “Principal Sum”) or interest payable hereunder, or any portion thereof, when the same becomes due under any provision hereof; or

(b) if the Chargor fails to pay Taxes as and when due (save and except when the validity thereof is, in good faith, contested by the Chargor and it has given security for payment thereof in full); or

(c) if the Chargor defaults in observing or performing any covenant, agreement, provision, term or condition contained in this Charge, or contained in the Standard Charge Terms referred to in this Charge or contained in this Schedule or any other schedule to this Charge, or

(d) if the Chargor becomes insolvent or bankrupt or a trustee in bankruptcy be appointed for the Chargor or if the Chargor makes a general assignment for the benefit of its creditors, or goes into liquidation either voluntarily or under an order of a Court of competent jurisdiction or otherwise acknowledges its insolvency or any writs of execution or sequestration are issued against the property of the Chargor; or

(e) if a Lease is terminated or cancelled as a result of any default by the Chargor thereunder, which default is not cured within the period of limitation stipulated therein for curing the same without the Chargee's prior written approval; or

(f) if, without the written consent of the Chargee, the Chargor defaults in observing or performing any covenant or condition on its part to be observed or performed under a Lease and if such default is not cured within the period stipulated therein for curing the same; or

(g) if, without the prior written approval of the Chargee, there is a change in control of the Chargor, or a change in the beneficial ownership of the Property; or

(h) if the Chargor fails to observe or perform any condition, agreement, covenant or term set out in any other document creating a contractual relationship between the Chargor or Chargee herein.

5. Provided that an Event of Default shall be deemed not to have occurred unless and until the Chargee has given notice to the Chargor that such event has occurred, which notice shall set out in reasonable detail the nature of such event, and;

(a) in the case of an event described in subparagraph 4(a) above the Chargor has not remedied such default within five (5) business days of receipt of such notice; and

(b) in the case of any other event described in paragraph 4 of this Schedule which is capable of being remedied, the Chargor has failed to commence to remedy such default within fifteen (15) days of receipt of such notice or has failed to thereafter diligently and continuously proceed to remedy such default, or has failed to remedy such default within a reasonable time and in any event within ninety (90) days after delivery of such notice;

Without limiting the generality of the foregoing it is expressly acknowledged and agreed that the occurrence of an event described in subparagraph 4(g) above is not capable of being remedied.

6. The Chargor hereby covenants and agrees with the Chargee that subject to the provisions of paragraph 8 of this Schedule, upon the occurrence of an Event of Default the Chargee may in its discretion declare the Principal Sum, together with interest thereon and other monies (if any) owing hereunder, to be forthwith due and payable and the same shall forthwith become immediately due and payable to the Chargee on demand and the Chargor shall pay forthwith to the Chargee on demand the Principal Sum and interest then accrued hereunder and all other monies secured hereby and interest thereon, and interest upon overdue interest as herein provided until payment is received by the Chargee, and such payment when made shall be deemed to have been on account of the monies due and owing under this Charge.

7. The Chargee may in writing at any time or times waive an Event of Default after the occurrence thereof upon such terms and conditions as it shall prescribe; provided, however, that any such waiver shall apply only to the particular Event of Default waived and shall not operate as a waiver of any other or future Event of Default.

8. Upon the occurrence of an Event of Default, the Chargee may, in its discretion:

(a) take possession of all or any part or parts of the Chargor's interest in the Property with power to exclude the Chargor and its agents and servants therefrom; preserve and maintain the Property and make such replacements thereto and additions thereto as it shall deem judicious; receive the Chargor's shares of the rents, incomes and profits thereof of any kind whatsoever and pay therefrom all expenses of maintaining, preserving, protecting and operating the Property and all charges against the Property ranking in priority to this Charge or payment of which may be necessary to preserve or protect the Property, and pay out the remainder of the money so received, and not required for any of the purposes provided for in this paragraph 8 of this Schedule in accordance with the provisions of paragraph 15 of this Schedule; renew from time to time any or all of the Leases; and enjoy and exercise all powers necessary to the performance of all functions provided for in this subparagraph 8(a) of this Schedule including, but not in limitation thereof, the power to purchase on credit, borrow money in the Chargor's or its own name, advance its own monies at such rates of interest as shall be reasonable and to enter into contracts and undertake obligations for the foregoing purposes upon the security hereof; provided that the Chargee shall, upon all Events of Default being made good or waived as herein provided, restore the Property to the Chargor subject to the mortgage created by this Charge as if no Event of Default had occurred; and/or

(b) apply to a Court of competent jurisdiction for the appointment of a receiver or

receiver and manager to take possession of all or such part or parts of the Property as the Chargee shall designate, with such duties, powers and obligations as the Court making the appointment shall confer; and the Chargor hereby consents to the appointment of such receiver or receiver and manager; and/or

(c) with or without entry into possession of the Property or any part thereof, by writing duly executed by the Chargee, appoint a receiver, which term shall include a receiver and manager, of the Property or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any receiver and appoint another in his stead and upon the appointment of any such receiver or receivers from time to time the following provisions shall apply:

(i) every such receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect of the Property or any part thereof whether in respect of any tenancies created in priority to this Charge or subsequent thereto;

(ii) every such receiver may, in the discretion of the Chargee and by writing under its corporate seal, be vested with all or any of the powers and discretions of the Chargee;

(iii) the Chargee may from time to time by such writing fix the reasonable remuneration of every such receiver who shall be entitled to deduct the same out of the receipts from the Property or the proceeds thereof;

(iv) every such receiver shall, so far as concerns the responsibility for his acts or omissions, be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;

(v) the appointment of every such receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receivership shall not have the effect of constituting the Chargee a Chargee in possession in respect of the Property or any part thereof;

(vi) every such receiver shall have from time to time, the power to rent any portion of the Property which may become vacant for such term and subject to such provisions as he may deem advisable or expedient and in so doing every such receiver shall act as the attorney or agent of the Chargor and he shall have authority to execute under seal any lease of any such premises in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such receiver may lawfully do in the premises;

(vii) every such receiver shall have full power to manage, operate, amend, repair, alter or extend the Property or any part thereof in the name of the Chargor for the purpose of securing the payment of rental from the Property or any part thereof;

(viii) no such receiver shall be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Property or any part thereof and every such receiver shall apply such cash so received to pay in the following order:

i. its remuneration aforesaid;

ii. all expenses properly made or incurred by it in connection with the management, operations, amendment, repair, alteration or extension of the Property or any part thereof;

iii. money which may from time to time be or become charged upon the Property in priority to this Charge, and all taxes, insurance premiums and every other property expenditure made or incurred by it in respect to the

Property or any part thereof;

iv. all interest due or falling due, other monies (if any) on account of proper expenditures made or incurred by or for the Chargee and the Principal Sum, or the balance thereof, secured by this Charge, and

v. thereafter any surplus remaining in the hands of every such receiver to the Chargor or its assigns; and

(ix) the Chargee may at any time and from time to time terminate any such receivership by notice in writing, duly executed by the Chargee, to the Chargor and to any such receiver; and/or

(d) subject to the provisions of any applicable legislation, with or without taking possession, sell all or part of the Property either as a whole or in separate parcels, at public auction or by public tender, at such time and places, subject to adjournment from time to time by the Chargee, on such terms and conditions as to upset or reserve bid or price and as to payment for cash or credit as the Chargee shall appoint; and if there is no purchase at such sale or tender, the Chargee may sell at private sale for cash or credit without further notice; and/or

(e) realize all or part or parts of the security hereby constituted by any other means of any nature or kind whatsoever that a Court of competent jurisdiction shall approve as being just and expedient in the circumstances having regard to the nature of the operations carried on upon the Property, including any other action, suit, remedy or proceeding authorized or permitted by this Charge or by law or in equity, and not necessarily limited to those means of realization which the Court is given jurisdiction to approve by statute; and/or

(f) with or without taking possession, take any action or proceedings to enforce the performance of any covenant contained in any of the Leases; and/or

(g) take any action or proceedings to enforce payment of the Principal Sum and interest and other monies secured hereunder or performance of any other covenant contained herein, or to enforce the security hereby constituted, and to bring to sale the Property or any part or parts thereof under a judgment or decree of a Court or Courts of competent jurisdiction or by the enforcement of any other legal remedy which the Chargee shall deem most effectual to protect and enforce any of its rights hereunder.

9. No remedy conferred upon or reserved to the Chargee by this Schedule is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Schedule, or under the Standard Charge Terms filed as Number 200033 referred to in this Charge or now existing or hereafter to exist by law or by statute as modified herein. Without limiting the generality of the foregoing, the taking of a judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the right of the Chargee to the interest as provided in this Charge.

10. Save and except as to claims at law or in equity to an accounting, the Chargee shall not, nor shall any receiver or receiver and manager appointed by it, be responsible or liable, otherwise than as an agent of the Chargor, for any debts contracted by it, for damages to persons or property, or for salaries or non-fulfilment of contracts during any period wherein the Chargee or such receiver or receiver and manager shall manage the Property or any part thereof upon or after entry, as herein provided and the Chargee shall not be bound to do, observe or perform or to see to the observance or performance by the Chargor of any of the obligations herein imposed upon the Chargor, nor in any other way to supervise or interfere with the conduct of the Chargor's operation of the Property.

11. The Chargor covenants and agrees with the Chargee that, in the case of any judicial or other proceedings to enforce the security hereby created, judgment may be rendered against the Chargor in favour of the Chargee for any amount which may remain due in respect of the Principal Sum, interest thereon and other monies (if any) owing hereunder after the application to the payment

thereof of the proceeds of any sale of the Property or any part thereof or any Additional Security therefor.

12. In the event of any sale in accordance with the provisions of this Charge whether by the Chargee or under judicial proceedings, the Chargor agrees that it will execute and deliver to the purchaser on demand any instrument or assurance reasonably necessary to confirm to the purchaser the title of the property so sold, and, in the case of any such sale, the Chargee is hereby irrevocably authorized by the Chargor to execute on its behalf and in its name any such confirmatory instrument or assurance.

13. No person dealing with the Chargee or its agents shall be concerned to inquire whether the powers which the Chargee or such agents are purporting to exercise have become exercisable, or whether any money remains due upon the security of this Charge or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or of any other dealing by the Chargee with the Property or to see to the application of any money paid to the Chargee; and, in the absence of fraud on the part of such person, such dealings shall be deemed, insofar as regards the safety and protection of such person, to be within the powers hereby conferred and to be valid and effectual accordingly.

14. The Chargee may pay all costs, charges and expenses which may be incurred in taking, recovering, and keeping possession of the Property and all reasonable fees and expenses of Counsel for or in respect of the collection of any overdue interest, principal, insurance premiums or any other monies whatsoever payable by the Chargor hereunder whether any action or any judicial proceedings to enforce such payments has been taken or not and the amount so paid shall be added to the debt hereby secured and be a charge on the Property and shall bear interest at the rate specified in this Charge for payment of interest on the principal balance outstanding from time to time and shall be payable forthwith by the Chargor to the Chargee.

APPLICATION OF MONIES

15. Except as herein otherwise expressly provided, the monies arising from the possession by the Chargee of the Property, or any Additional Security thereto, or from any sale or realization of the whole or any part of the Property (except by foreclosure), or any Additional Security thereto, pursuant to any proceedings based upon an Event of Default hereunder, whether under any sale by the Chargee or by judicial proceedings or otherwise, shall be applied in the first place to pay or reimburse to the Chargee the costs, charges, expenses, advances and compensation of the Chargee incurred in taking, recovering and keeping possession of, and managing, operating, amending, repairing, altering, or extending the Property or any Additional Security thereto, or generally in any other proceedings taken hereunder in connection with or to realize upon the security hereof, with interest thereon as herein provided, and all Taxes and other charges ranking in priority to the security of this Charge and the residue of the said monies shall be applied first in or towards payment of the interest due or falling due under this Charge and then towards payment of the Principal Sum due and payable and secured by this Charge unless the Chargee shall have directed payments to be made in accordance with any other order of priority, or without priority as between the Principal Sum and interest, in which case such monies shall be applied in accordance with such direction, and the surplus (if any) of such monies shall be paid to the Chargor or its assigns.

INTEREST RATE

16. The interest rate payable on this Charge is a floating rate equal to the greater of 10.0% per annum and the Bank of Nova Scotia posted Bank prime rate of interest (“Prime Rate”) as adjusted from time to time plus 7.55% per annum, calculated daily, compounded and payable monthly, not in advance.

PREPAYMENT PRIVILEGES

17. It is anticipated that repayment of the Charge will be made from the sale of completed units in the project being undertaken by the Chargor on the Property secured by this Charge. All net

closing proceeds from such sales shall be directed to the Chargee whom, upon receipt, shall reduce the balance of the principal secured by this Charge accordingly. Upon receipt of payment of the said net sale proceeds the Chargee shall provide a partial discharge of this Charge in order to facilitate the closing of a sale. The "net sale proceeds" means the sale price of the completed unit in question, less deposits received by the Chargee or utilized in the development of the Property, legal fees approved by the Chargee, property taxes paid by the Chargor, net of Harmonized Sales Tax. Any deferred sales commissions are expressly excluded from the calculation of "net sales proceeds" and shall not be deducted from the sale proceeds in priority to repayment of the amounts owing on the Charge.

COLLATERAL SECURITY TO COMMITMENT

18. The terms and provisions of this Charge are collateral to and are in addition to the terms contained in the mortgage loan commitment letter issued by the Chargee to the Chargor dated October 26th, 2021 and accepted by the Chargor on October 26th, 2021 (the "Loan Agreement") and in the event of any conflict between the terms of this Charge and the terms and conditions of the said Loan Agreement the terms and conditions of the Laon Agreement shall prevail.

GENERAL

19. All provisions of this Schedule are in addition to and not in substitution for the provisions of the Standard Charge Terms Number 200033. In the event of a conflict between the provisions of this Schedule and the provisions of those Standard Charge Terms, the provisions of this Schedule shall prevail.

20. The provisions of the Standard Charge Terms 200033 are hereby amended as follows:

(a) Paragraph 4 has the following added on the end: "and as disclosed in the records of the Land Registry Office.";

(b) The word "leases" is deleted from the first line of Paragraph 14; and

(c) The "without the Chargee's prior written consent (other than leases in the ordinary course of the Chargor's business)" are inserted after "land" in the first line of Paragraph 14.

This is **Exhibit "16"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: 1817955 ONTARIO LTD. – Assignment of Rents and Leases to MORRISON FINANCIAL MORTGAGE CORPORATION
Part Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Saugeen Shores (PIN 33268-2035) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Notice of Assignment of Rents and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Notice of Assignment of Rents in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 18th day of November, 2021.

1817955 ONTARIO LTD.

Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

as to the signature of

LORI C. MACINTOSH
Barrister & Solicitor
669 Gustavus Street, Box 579
Port Elgin, ON N0H 2C0

Andrew Terence Hill – Guarantor

Properties

PIN	33268 - 2035 LT
Description	PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES
Address	1020 GODERICH STREET PORT ELGIN

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name	1817955 ONTARIO LTD. Acting as a company
Address for Service	Andrew Hill R.R. #1 Port Elgin, ON N0H 2C5

I, Andrew Terence Hill, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s)	Capacity	Share

Name	MORRISON FINANCIAL MORTGAGE CORPORATION Acting as a company
Address for Service	Suite 202 8 Sampson Mews Toronto, ON M3C 0H5

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, CHARGE 1 to which this notice relates is deleted

Schedule: See Schedules

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made this 24th day of November, 2021.

BETWEEN:

1817955 ONTARIO LTD.

hereinafter called the "Assignor"
OF THE FIRST PART

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Chargee"
OF THE SECOND PART

Now therefore it is hereby covenanted, agreed and declared as follows:

1. In this agreement unless there is something in the subject matter or context inconsistent therewith,

   a. "Charge" means a charge of the Lands from the Assignor to the Chargee securing the principal sum of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS ($9,541,546.25) plus interest thereon, and any other monies which may become owing to the Chargee under the Charge;

   b. "Lands" means the lands and premises described as Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035 LT). The lands and premises are further described in the "Property" section of the document to which this Schedule is attached;

   c. "Leases" includes:

      i. every existing and future lease and agreement to lease in respect of the whole or any portion of the Lands;

      ii. every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;

      iii. every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and

      iv. every existing and future assignment of, and agreement to assume, the obligations of tenants of the whole or any portion of the Lands;

   d. "Rents" means all revenues, receipts, income, credits, deposits, rents, additional rents, tenant recoveries and other receivables of any nature and kind whatsoever arising from, payable under or related to the Leases, whether past due, now due or hereafter to become due and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.

2. The Chargee has registered a Charge (the "Charge") against the Lands. The Assignor is the owner of the Lands subject to the Charge and has agreed to enter into this agreement with the Chargee as collateral security for the due payment of the Charge;

3. The Assignor hereby assigns to the Chargee, its successor and assign (as security for the principal, interest, and other amounts secured by the Charge and until the monies due under and by virtue of the Charge have been fully paid and satisfied), (i) the Leases and all benefits and advantages to be derived therefrom with full power and authority to use the name of the Assignor or the owner from time to time of the Lands or the name of the Chargee, as the Chargee may elect in its sole discretion, for enforcing the covenants and agreements on the parts of the tenants contained therein, and (ii) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands or in the name of the Chargee, as the Chargee may elect in its sole discretion.

4. The Assignor hereby represents, warrants, covenants and agrees that:

   a. complete and true copies of all of the presently existing non-residential Leases have been delivered to the Chargee;

   b. the Assignor will not without the prior written consent of the Chargee perform, or omit to perform, any act having the effect of terminating cancelling or accepting surrender of any of the non-residential Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or any obligations of any other party thereunder or in connection therewith;

   c. none of the non-residential Leases or the Assignor's rights thereunder, including the right to receive the Rents, will be altered, varied or amended;

   d. none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term) nor have they been discounted, released, waived, compromised or otherwise discharged;

   e. there has been no default of a material nature which has not been remedied under any of the Leases by any of the parties thereto;

   f. there is no outstanding dispute under any of the Leases by any party thereto; and

   g. the Assignor will observe and perform all of the Assignor's obligations under each of the Leases.

5. Subject to the provisions of paragraph 3 above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until the Chargee shall give notice to the tenant, user, occupier, licensee or guarantor thereunder requiring payment to the Chargee.

6. Nothing contained herein or in any statute shall have the effect of making the Chargee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Chargee shall not by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a chargee in possession of the Lands or the charged premises and the Chargee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Chargee shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

7. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Chargee from time to time to perfect this agreement and assignment. The Assignor will from time to time at the reasonable request of the Chargee furnish to the Chargee a copy of the current rent roll of the building on the Lands showing the basic terms of all Leases and, if requested by the Chargee, give the Chargee a specific assignment of the Rents thereunder in form satisfactory to the Chargee.

8. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable than those which a prudent landlord would expect in respect of the premises to be leased.

9. The Assignor hereby agrees to indemnify at all times and from time to time and save the Chargee harmless from any and all demands, claims, damages, actions, proceedings, lawsuits, costs, expenses, or payments incurred which the Chargee may sustain or incur by reason of the Assignor's failure to charge legal rents or by reason of successful rebate claims by any tenant under any lease in the building on the Lands or by any former tenant of the building and agrees that all rents charged with respect to the Lands or any part thereof will be lawful rents pursuant to any applicable legislation from time to time respecting residential housing and further agrees that it will file all items required to be filed by such legislation in a timely, accurate and complete way.

10. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum due under the Charge; and that none of the rights or remedies of the Chargee under the Charge shall be delayed or in any way prejudiced by these presents; and that following registration of a discharge of the Charge this agreement and assignment shall be of no further force or effect, and such discharge shall act as a release and reassignment of the assignments herein.

11. In this agreement words denoting the singular include the plural where appropriate and vice-versa and words denoting any gender include all genders.

12. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "17"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address 1020 GODERICH STREET
PORT ELGIN

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name 1817955 ONTARIO LTD.

Address for Service Andrew Hill
R.R. #1
Port Elgin, ON
N0H 2C5

I, Andrew Terence Hill, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Address for Service Suite 202
8 Sampson Mews
Toronto, ON
M3C 0H5

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Applicant(s)	Signed	2021 11 24

Tel 416-484-8558

Fax 416-484-6918

I have the authority to sign and register the document on behalf of all parties to the document.

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Party To(s)	Signed	2021 11 24

Tel 416-484-8558

Fax 416-484-6918

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

RUDERMAN, SHAW	Suite 801 - 40 Holly Street Toronto M4S 3C3	2021 11 24

Tel 416-484-8558

Fax 416-484-6918

Fees/Taxes/Payment

Statutory Registration Fee $66.30

Total Paid $66.30

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made this 24th day of November, 2021.

BETWEEN:

1817955 ONTARIO LTD.

hereinafter called the "Assignor"
OF THE FIRST PART

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Chargee"
OF THE SECOND PART

Now therefore it is hereby covenanted, agreed and declared as follows:

1. In this agreement unless there is something in the subject matter or context inconsistent therewith,

   a. "Charge" means a charge of the Lands from the Assignor to the Chargee securing the principal sum of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS ($9,541,546.25) plus interest thereon, and any other monies which may become owing to the Chargee under the Charge;

   b. "Lands" means the lands and premises described as Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035 LT). The lands and premises are further described in the "Property" section of the document to which this Schedule is attached;

   c. "Leases" includes:

      i. every existing and future lease and agreement to lease in respect of the whole or any portion of the Lands;

      ii. every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;

      iii. every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and

      iv. every existing and future assignment of, and agreement to assume, the obligations of tenants of the whole or any portion of the Lands;

   d. "Rents" means all revenues, receipts, income, credits, deposits, rents, additional rents, tenant recoveries and other receivables of any nature and kind whatsoever arising from, payable under or related to the Leases, whether past due, now due or hereafter to become due and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.

2. The Chargee has registered a Charge (the "Charge") against the Lands. The Assignor is the owner of the Lands subject to the Charge and has agreed to enter into this agreement with the Chargee as collateral security for the due payment of the Charge;

3. The Assignor hereby assigns to the Chargee, its successor and assign (as security for the principal, interest, and other amounts secured by the Charge and until the monies due under and by virtue of the Charge have been fully paid and satisfied), (i) the Leases and all benefits and advantages to be derived therefrom with full power and authority to use the name of the Assignor or the owner from time to time of the Lands or the name of the Chargee, as the Chargee may elect in its sole discretion, for enforcing the covenants and agreements on the parts of the tenants contained therein, and (ii) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands or in the name of the Chargee, as the Chargee may elect in its sole discretion.

4. The Assignor hereby represents, warrants, covenants and agrees that:

   a. complete and true copies of all of the presently existing non-residential Leases have been delivered to the Chargee;

   b. the Assignor will not without the prior written consent of the Chargee perform, or omit to perform, any act having the effect of terminating cancelling or accepting surrender of any of the non-residential Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or any obligations of any other party thereunder or in connection therewith;

   c. none of the non-residential Leases or the Assignor's rights thereunder, including the right to receive the Rents, will be altered, varied or amended;

   d. none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term) nor have they been discounted, released, waived, compromised or otherwise discharged;

   e. there has been no default of a material nature which has not been remedied under any of the Leases by any of the parties thereto;

   f. there is no outstanding dispute under any of the Leases by any party thereto; and

   g. the Assignor will observe and perform all of the Assignor's obligations under each of the Leases.

5. Subject to the provisions of paragraph 3 above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until the Chargee shall give notice to the tenant, user, occupier, licensee or guarantor thereunder requiring payment to the Chargee.

6. Nothing contained herein or in any statute shall have the effect of making the Chargee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Chargee shall not by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a chargee in possession of the Lands or the charged premises and the Chargee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Chargee shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

7. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Chargee from time to time to perfect this agreement and assignment. The Assignor will from time to time at the reasonable request of the Chargee furnish to the Chargee a copy of the current rent roll of the building on the Lands showing the basic terms of all Leases and, if requested by the Chargee, give the Chargee a specific assignment of the Rents thereunder in form satisfactory to the Chargee.

8. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable than those which a prudent landlord would expect in respect of the premises to be leased.

9. The Assignor hereby agrees to indemnify at all times and from time to time and save the Chargee harmless from any and all demands, claims, damages, actions, proceedings, lawsuits, costs, expenses, or payments incurred which the Chargee may sustain or incur by reason of the Assignor's failure to charge legal rents or by reason of successful rebate claims by any tenant under any lease in the building on the Lands or by any former tenant of the building and agrees that all rents charged with respect to the Lands or any part thereof will be lawful rents pursuant to any applicable legislation from time to time respecting residential housing and further agrees that it will file all items required to be filed by such legislation in a timely, accurate and complete way.

10. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum due under the Charge; and that none of the rights or remedies of the Chargee under the Charge shall be delayed or in any way prejudiced by these presents; and that following registration of a discharge of the Charge this agreement and assignment shall be of no further force or effect, and such discharge shall act as a release and reassignment of the assignments herein.

11. In this agreement words denoting the singular include the plural where appropriate and vice-versa and words denoting any gender include all genders.

12. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

1817955 ONTARIO LTD.
Per:

Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "18"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

AUTHORIZATION

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. and ANDREW TERENCE HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

The undersigned have each executed and delivered certain security documents and related documents in connection with the above loan, which documents left blank certain dates and registration numbers. Each of the undersigned hereby authorizes either RUDERMAN SHAW or LORI C. MACINTOSH to insert into any of the said documents the appropriate dates or registration numbers which have been left blank.

DATED at Port Elgin, Ontario, this 18 day of November, 2021.

1817955 ONTARIO LTD.
Per: _____
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

LORI C. MACINTOSH
Barrister & Solicitor
669 Gustavus Street, Box 579
Port Elgin, ON N0H 2C0

_____
Andrew Terence Hill, personally
as Guarantor

This is **Exhibit "19"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. and ANDREW TERENCE HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

The undersigned Chargor acknowledges receipt of a copy of the Standard Charge Terms filed as Number 200033 prior to signing the Charge/Mortgage of Land in connection with the above referenced transaction.

Dated at Port Elgin, Ontario, this 18 day of November, 2021

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

Land Registration Reform Act

DYE & DURHAM CO. INC.
Form No. 300E

SET OF STANDARD CHARGE TERMS
(Electronic Filing)

Filed by
Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the " Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

Exclusion of Statutory Covenants

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

Right to Charge the Land

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

No Act to Encumber

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

Good Title in Fee Simple

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

Interest After Default

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

No Obligation to Advance

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Costs Added to Principal

8. The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

Power of Sale

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

Quiet Possession

10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.

Right to Distrain

11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Further Assurances

12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.

Acceleration of Principal and Interest

13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

Unapproved Sale

14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.

Partial Releases

15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.

Obligation to Insure

16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

Obligation to Repair

17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

Building Charge

18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.

Extensions not to Prejudice

19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

No Merger of Covenants

20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

Change in Status

21. Immediately after any change or happening affecting any of the following, namely: *(a)* the spousal status of the Chargor, *(b)* the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act*, and *(c)* the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act*. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of *(a)*, *(b)* and *(c)* above as the Chargee may from time to time request.

Condominium Provisions

22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.

Discharge

23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.

Guarantee

24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:

(a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.

(b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

(c) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect

the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

(d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

(e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability

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

Interpretation

26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings

27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge

28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge

29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this day of , *(year)*

This is **Exhibit "20"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

NON-MERGER ACKNOWLEDGEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

RE: Morrison Financial Mortgage Corporation (the "Chargee")
mortgage loan to 1817955 Ontario Ltd.
secured by 1020 Goderich Street, Town of Port Elgin, Ontario
(the "Property")

WHERE AS 1817955 Ontario Ltd. has applied to the Chargee for a loan:

AND WHEREAS the Chargee has agreed to provide such loan upon the terms set out in the letter of commitment dated October 26th, 2021 and accepted October 26th, 2021 (the "Loan Agreement"), and any amendments thereto:

AND THEREFORE each of the undersigned hereby, jointly and severally, acknowledge and agree:

1. to be responsible to the Chargee for all principal amounts advanced, all interest thereon, and all expenses or costs incurred by the Chargee relating to the preservation or enforcement of any security or collateral security given pursuant to the Loan Agreement, and any amendments thereto; and

2. that the whole of the principal outstanding and all interest accruing on the charge granted by 1817955 Ontario Ltd. in favor of Morrison Financial Mortgage Corporation on the Property, or any amendment, renewal or replacement thereof (collectively, the "Charge") shall immediately become due and payable, at the sole option of the Chargee, and the Charge and all other security held by the Chargee (collectively the "Loan Documents") shall immediately become enforceable, at the sole option of the Chargee, in accordance with the terms thereof, in the event any of the undersigned fail to observe or perform any condition, agreement, covenant or term as set out in the Charge, the Loan Documents or in the Loan Agreement, all of which each of the undersigned acknowledge and agree will not merge in the giving or registration of the Charge or the Loan Documents but shall continue thereafter in full force and effect until repayment in full of all funds advanced pursuant to such loan and the discharge and release of all security documentation thereunder is completed.

   In the event of any conflict or discrepancy between the Loan Agreement, the Charge or the Loan Documents, the terms of the Loan Agreement shall prevail.

DATED at Port Elgin, Ontario this 18 day of November, 2021.

1817955 ONTARIO LTD.

Per: _____
Name: Andrew Terence Hill
Title: President
I have authority to bind the Corporation

_____
Andrew Terence Hill,
in my personal capacity

This is **Exhibit "21"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address PORT ELGIN

Source Instruments

Registration No.	*Date*	*Type of Instrument*
BR163052	2020 12 09	Charge/Mortgage
BR176790	2021 11 23	Application To Change Name-Instrument

Party From(s)

Name INTACT INSURANCE COMPANY

Address for Service 700 University Avenue
Suite 1500
Toronto, Ontario
M5G 0A1

I, Kim Roberts, Senior Underwriter, Developer Surety & Sheriar Irani, Senior Underwriter, Developer Surety, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number BR176854 registered on 2021/11/24

Schedule: The applicant postpones the rights under the selected instrument to the rights under Notice of General Assignment of Rents registered as Inst. No. BR176855.

This document relates to registration number(s)BR163052 & BR176790 AND BR176854 & BR176855

Signed By

Cheryl Ann Wilson	5000 Yonge Street, 10th Floor Toronto M2N 7E9	acting for Party From(s)	Signed	2021 11 24

Tel 416-222-8888

Fax 416-218-1860

I have the authority to sign and register the document on behalf of the Party From(s).

Submitted By

CHAITONS LLP	5000 Yonge Street, 10th Floor Toronto M2N 7E9	2021 11 25

Tel 416-222-8888

Fax 416-218-1860

Fees/Taxes/Payment

Statutory Registration Fee $66.30

Total Paid $66.30

File Number

Party From Client File Number : 66884

This is **Exhibit "22"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address PORT ELGIN

Consideration

Consideration $2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name 1817955 ONTARIO LTD.

Address for Service 1020 Goderich Street
Port Elgin, Ontario
N0H 2C3

I, Andrew Hill, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name INTACT INSURANCE COMPANY

Address for Service 700 University Avenue
Toronto, Ontario
M5G 0A1

I, Kim Roberts, Senior Underwriter, Developer Surety & Sheriar Irani, Senior Underwriter, Developer Surety, have the authority to bind the corporation

This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, BR163052 registered on 2020/12/09 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s)BR163052, BR163367 & BR176790

Signed By

Cheryl Ann Wilson	5000 Yonge Street, 10th Floor Toronto M2N 7E9	acting for Applicant(s)	Signed	2021 11 26

Tel 416-222-8888

Fax 416-218-1860

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

CHAITONS LLP	5000 Yonge Street, 10th Floor Toronto M2N 7E9	2021 11 26

Tel 416-222-8888

Fax 416-218-1860

Fees/Taxes/Payment

Statutory Registration Fee $66.30

Total Paid $66.30

File Number

Applicant Client File Number : 66884

File Number

Party To Client File Number : 66884

AGREEMENT AMENDING CHARGE/MORTGAGE OF LAND

THIS AGREEMENT made as of the 26th day of November, 2021.

BETWEEN:

1817955 ONTARIO LTD.
(the "**Chargor**")

- and -

INTACT INSURANCE COMPANY
(the "**Chargee**")

WHEREAS:

A. By a certain charge/mortgage of land (the "**Charge**") registered in the Land Registry Office for the Land Titles Division of Bruce (No. 3) on the 9th day of December, 2020 as Instrument No. BR163052, the Chargor did charge in favour of The Guarantee Company of North America ("**GCNA**"), those lands legally described in PIN 33268-0235 (LT) (the "**Property**") to secure payment of the principal sum stipulated therein, together with interest and upon other terms and conditions as set out in the Charge;

B. Pursuant to Letters Patent of Amalgamation, effective as of April 1, 2021, GCNA and the Chargee amalgamated and continued under the name of the Chargee, evidence of which was registered under an Application to Change Name Instrument, registered as Instrument No. BR176790 on November 23, 2021; and

C. The parties hereto have agreed to amend the Charge upon and subject to the terms and conditions hereinafter set forth.

NOW THEREFORE IN CONSIDERATION OF THE SUM OF TWO ($2.00) DOLLARS and other good and valuable consideration now paid by each of the parties hereto to the other (the receipt and sufficiency whereof are hereby acknowledged by each of the parties hereto), the parties hereto hereby agree as follows:

1. The foregoing recitals are true and accurate both in substance and in fact.

2. In this Agreement, all capitalized terms shall have the same meanings as ascribed thereto in the Charge, except and only to the extent as amended by or as required by the context of this Agreement Amending Charge/Mortgage of Land. In this Agreement, "**Amended Charge**" means the Charge as amended by this Agreement.

3. From and after the date of this Agreement, the Charge is hereby amended by deleting reference to the sum of "Eight Hundred and Ninety Thousand ($890,000) Dollars" under the "Principal" set forth on Page 1 of the Charge and substituting in its place reference to the sum of "One Million One Hundred Thousand ($1,100,000) Dollars" in its place.

4. From and after the date of this Agreement, the Charge is hereby amended by deleting Schedule "2" attached thereto and substituting in its place the revised Schedule "2" attached hereto.

5. This Agreement shall be read and construed with the Charge and be treated as a part thereof, and for such purpose and so far as may be necessary to effectuate the true intent and meaning of this Agreement, the Charge is hereby amended. Except as specifically amended or varied hereby, this Agreement does not and shall not be construed as revoking, amending, limiting, restricting or otherwise varying any other terms or provisions of the Charge, which, except as specifically amended or varied hereby, shall remain in full force and effect; and, for greater clarity, in no event shall this Agreement be construed so as to in any way restrict or limit the rights given to the Chargee to enforce payment under the Amended Charge and/or realize upon the Property.

6. Nothing herein contained shall in any way affect or prejudice the rights of the Chargee as against the Chargor, its successors and assigns, or as against any party to the Amended Charge or as against any surety, guarantor, covenantor or other indemnifier of the Amended Charge or any part thereof or as against any collateral which the Chargee may now or hereafter hold in respect of the whole or any part of the monies secured by the Amended Charge.

7. The Chargor covenants and agrees that it will execute such further assurances with respect to this Agreement, the Amended Charge and/or the Property as may be required to evidence the true intent and meaning of this Agreement.

8. This Agreement shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the parties hereto hereby attorn to the jurisdiction of the Province of Ontario. This Agreement, together with all schedules annexed hereto and forming a part hereof, shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, legal personal representatives, successors and assigns.

9. This Agreement may be signed in counterparts and transmitted by electronic transmission. Each counterpart shall be deemed to be an original, but all such separate counterparts shall together constitute one and the same instrument.

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

1817955 ONTARIO LTD.

Per: _____
Name: Andrew Hill
Title: President

I have authority to bind the Corporation.

INTACT INSURANCE COMPANY

Per: _____
Name: Kim Roberts
Title: Senior Underwriter, Developer Surety

Per: _____
Name: Sheriar Irani
Title: Senior Underwriter, Developer Surety

I/We have authority to bind the Corporation.

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

1817955 ONTARIO LTD.

Per: _____
Name: Andrew Hill
Title: President

I have authority to bind the Corporation.

INTACT INSURANCE COMPANY

Per: _____
Name: Kim Roberts
Title: Senior Underwriter, Developer Surety

Per: _____
Name: Sheriar Irani
Title: Senior Underwriter, Developer Surety

I/We have authority to bind the Corporation.

SCHEDULE "2"

COLLATERAL MORTGAGE

In pursuance of the ***Short Form of Mortgages Act***

Dated: November 26, 2021

Chargor: 1817955 ONTARIO LTD.

Chargee: INTACT INSURANCE COMPANY

Principal Sum: ONE MILLION ONE HUNDRED THOUSAND ($1,100,000) DOLLARS

Re: Indemnity Agreement dated as of November 9, 2020, between the Chargor, the Chargee and others (the "**Indemnity Agreement**")

COLLATERAL SECURITY AS TO DEBT AND NOMINAL INTEREST RATE

1. (a) FOR VALUE RECEIVED, the Chargor hereby acknowledges and agrees that this Charge is given as continuing collateral security for the payment of all amounts from time to time payable by the Chargor to the Chargee under the Indemnity Agreement (which sums are hereinafter referred to as the "Indebtedness" or the "Principal Sum"). This Charge is given in addition to and not in substitution for any other security held by the Chargee for the Indebtedness. The said Principal Sum shall become due and payable on demand by the Chargee at the Chargee's office as designated in paragraph 20 and the Chargor shall pay interest on the Principal Sum both before and after default as well as before and after judgment at the rate of eighteen (18%) per centum per annum, calculated semi-annually and payable monthly with interest on overdue interest payable in the same manner and at the same rate until such time as the Principal Sum is paid in full.

   (b) In addition to paragraph 1 (a) above, this Charge is given as continuing collateral security for the payment of monies and the performance of obligations of and by the Chargor under a commitment letter dated November 6, 2020, and accepted by the Chargor on November 6, 2020, as amended by a supplementary commitment letter dated November 11, 2021 and accepted on November 11, 2021, (collectively, the "**Commitment Letter**"). The provisions of the Commitment Letter are incorporated herein and form part hereof. In the event of any inconsistency or contradiction between the Commitment Letter and this Charge, the applicable provision of the Commitment Letter shall prevail.

SECURITY

2. As security for the due payment of all monies payable hereunder, the Chargor hereby:

   (a) mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Chargee, its successors and assigns its interest in the lands and premises now owned by the Chargor and described or referred to on Page 1 of this Charge to which this Schedule "2" is attached (the "**Property**"), including all appurtenances, buildings and fixtures now or hereafter situate thereon;

   (b) mortgages and charges in favour of the Chargee, its successors and assigns its interest in the agreements to lease and leases, both present and future (the "**Leases**") relating to the Property, including all rents and monies payable under the Property and any extensions or renewals thereof (the "**Rents**") and including the benefit of all covenants, stipulations and provisions contained in the Leases;

   all of such mortgages and charges hereby constituted being sometimes collectively called the "Security" and the subject matter of the Security being sometimes called the "Charged Premises".

TERM AND DEFEASANCE:

3. This Charge is to be void upon the payment of the sum of the Principal Sum, in lawful money of Canada, and all of such other sums as the Chargee may be entitled to by virtue of these presents; and is payable on demand; and all taxes and performance of statute labour, and observance and performance of all covenants, provisos and conditions herein contained.

FURTHER ASSURANCES

4. The Chargor hereby covenants and agrees that it will at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, pledges, deeds, mortgages, hypothecs, transfers, assignments and assurances in law or equity as the Chargee may reasonably require for the better assuring, mortgaging, hypothecating, charging, transferring, assigning and confirming unto the Chargee and for perfecting the security interests hereby created in the undertaking, property and assets hereby mortgaged and charged or intended so to be or which the Chargor may hereafter become bound to mortgage, hypothecate, transfer, assign and charge in favour of the Chargee and for the better accomplishing and effectuating of this Charge.

CHARGOR'S COVENANTS

5. The Chargor covenants and agrees with the Chargee that:

(a) The Chargor shall keep the Property in good condition and repair such that the value of the Property is not materially adversely affected in any way.

(b) The Chargor shall pay the principal, interest and all other monies properly due and owing under the Indemnity Agreement and secured by this Charge and will pay or cause to be paid as they fall due all taxes, rates and assessments, municipal, local, parliamentary and otherwise, which now are or may hereafter be imposed, charged, or levied upon the Property and further, to deliver to Chargee on an annual basis, evidence of payment of realty taxes by the Chargee.

(c) The Chargor shall comply with all governmental, statutory or regulatory requirements and any permitted encumbrances related to the Property.

(d) The Chargor shall permit the Chargee, whenever the Chargee deems it necessary, by its agent to enter upon and inspect the Property.

(e) The Chargor will at its own expense forthwith insure, if not already so insured, and during the continuance of this Charge keep insured in the name of the Chargor, with loss payable to the Chargee as its interest may appear, the Property and each and every building, structure, erection, improvement, fixture or replacement thereof, including without limiting the generality of the foregoing, all plant, equipment, apparatus, machinery and fixtures of every kind and nature whatsoever now on the Property but which may hereafter be erected thereon, both during erection and thereafter (all of the foregoing being collectively the "**Premises**") in such amounts as the Chargee may from time to time specify but in any event in an amount not less than the full insurable replacement value thereof on a completed value basis, in lawful money of Canada, with a company or companies and by a policy or policies of insurance approved by the Chargee, against all risks of direct physical loss with only such exclusion as the Chargee may approve and, in addition, without limiting the generality of the foregoing, the Chargor shall maintain rental insurance, boiler insurance and insurance against liability imposed for damages, loss or injury to or death of persons or for damage to or loss of property of any person, in such amounts as will in the opinion of the Chargee reasonably protect the Chargor against such losses. If the Property has no insurable structures thereon such insurance will not be required. Such insurance shall, during the course of construction, be in builders "all risk" course of construction form. Such insurance policy shall either be without co-insurance or have a stated or stipulated amount co-insurance clause for an amount equal to the principal amount secured pursuant to this Charge, together with the principal amount of any permitted prior encumbrances. All policies of insurance required hereby shall contain "mortgage clauses" in favour of the Chargee in a form approved by the Chargee acting reasonably.

(f) The Chargor shall maintain its corporate existence, and further shall promptly provide written notice to the Chargee of any default respecting any obligations or liabilities of the Chargor.

(g) The Chargor shall promptly pay the full amount of:
   (i) all liens, charges and encumbrances upon the Charged Premises;
   (ii) all reasonable charges or expenses of the Chargee in inspecting, protecting or valuating the property at any time after realization proceedings have been commenced; and
   (iii) all costs, fees and disbursements secured by this charge.

(h) The Chargor will pay or cause to be paid as soon as the same are due all claims and demands of contractors and materialmen and all wages, salaries, holiday pay, Worker's Compensation assessments or other charges of any nature or kind (collectively the "**Claims**"), which could in the circumstances constitute a lien or charge having priority over this Charge or any future advance to be secured by this Charge and the Chargor will from time to time on demand provide the Chargee with such books, payrolls, or other records, receipts, certificates and declarations as the Chargee may deem necessary to satisfy itself that the Claims have been paid as soon as the same are due.

(i) The Chargor shall forthwith on the happening of any loss or damage, furnish at its own expense all necessary proofs and do all necessary acts to enable the Chargee to obtain payment of the insurance monies; and any insurance monies received may, at the option of the Chargee, be applied in rebuilding, reinstating or repairing the Charged Premises or be paid to the Chargor or any other person appearing by the registered title to be or to have been the owner of the said Charged Premises or to be applied or paid partly in one way and partly in another, or may be applied, in the sole discretion of the Chargee, in whole or in part, on the principal and interest or other monies owing under this Charge then due, or any part thereof, whether due or not then due, notwithstanding any law, equity or statute to the contrary, all rights and benefits of the Chargor thereunder being hereby expressly waived.

(j) The Chargor, immediately upon obtaining knowledge of the institution of any proceedings for the expropriation of the Charged Premises, or any part thereof, will notify the Chargee of such proceedings. If the Charged Premises, or any part thereof is taken or damaged in or by such expropriation proceedings or otherwise, the award or compensation payable to the Chargor shall be paid and is hereby assigned to the Chargee.

(k) The Chargor, within ten (10) days after receipt of the request to do so, shall certify to the Chargee or any person designated by the Chargee the amount of principal then due hereunder, the date to which interest is paid, that it has no right of set-off against the monies due hereunder, or if it has such a right of set-off, the amount thereof, and that there have been no amendments hereto or, if there has been any such amendment, specifying it. The Chargee shall, upon request, provide mortgage statements to the Chargor within ten (10) days after receipt of such request.

(l) The Chargor shall obey or cause to be obeyed all laws, rules, regulations and by-laws, whether federal, provincial or municipal, which in any way relate to the Charged Premises or the use thereof.

(m) All representations and warranties herein shall remain true and of full force and effect throughout the entire term of this Charge.

(n) The Chargor shall keep the Charged Premises in good condition and repair according to the nature and description thereof respectively, and that the Chargee may, whenever it deems it necessary, by its agent enter upon and inspect the Property and the Charged Premises and make such repairs as it deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate or rates aforesaid shall be added to the monies secured by this Charge and be payable forthwith and be a charge upon the Property prior to all claims thereon subsequent to these presents. If the Chargor shall neglect to keep the Charged Premises in good condition and repair, or commit or permit any acts of waste on the Charged Premises (as to which the Chargee shall be sole judge) or make default as to any of the covenants, provisos, agreements or conditions contained in this Charge or in any mortgage to which this Charge is subject, all monies hereby secured shall at the option of the Chargee forthwith become due and payable, and in default of payment of same with interest as in the case of payment before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

(o) The Chargor shall not further encumber the Property without the Chargee's prior written consent, such consent not to be unreasonably withheld or unduly delayed.

(p) The Chargor shall keep the Permitted Encumbrances as defined herein in good standing. "Permitted Encumbrances" are defined in Schedule "A" hereto.

(q) In the event that the Chargor commits an act of default pursuant to the provisions contained in any encumbrance on the Charged Premises ranking equally with or in priority to this Charge, the Chargor shall be deemed to have committed an event of default hereunder and the Chargee shall be entitled to exercise any and all remedies herein contained.

PROVISOS

6. Neither the preparation, execution nor registration of this indenture shall bind the Chargee to advance the money hereby secured, nor shall the advance of a part of the monies hereby secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the estate hereby conveyed shall take effect forthwith upon the execution and delivery of these presents by the Chargor, and the expenses of the examination of the title and of this Charge and of valuation are to be secured hereby in the event of the whole or any balance of the principal sum not being advanced, the same to be a charge hereby upon the Property, and shall be without demand therefor, payable forthwith with interest at the rate or rates provided for in this Charge, and in default, the Chargee's power of sale hereby given, and all other remedies hereunder shall be exercisable.

OUTSTANDING TAXES

7. The Chargee may, at its option, deduct from any advance of the monies secured by this Charge an amount sufficient to pay any taxes which have become due and payable as at the date of such advance. The Chargor shall transmit to the Chargee the copies of the tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Chargor.

ASSIGNMENT OF CHARGE BY CHARGEE

8. The Chargee, without the consent of the Chargor, may assign in whole or in part, this Charge and the benefit of all covenants of the Chargor as therein and herein contained, provided that the security and obligations to which this Charge is collateral is also assigned.

DISCRETION OF CHARGEE RESPECTING TERMS UNDER CHARGE

9. The Chargee, in its discretion and with the consent of the Chargor, may enter into an agreement with the Chargor or with anyone who has assumed this Charge to grant an extension of time; or to change the rate of interest; or to alter in any way the terms of payment of this Charge; or take any additional security, or waive the performance of any covenant herein; and may compound with or release the Chargor or anyone claiming under the Chargor or any other person or persons liable hereunder; or surrender, release or abandon or omit to perfect or enforce any security, remedy or proceeding which the Chargee may now or hereafter hold or have; and may take, acquire or discharge either with or without payment part or all of the said Property and may apply all monies received from the Chargor or others or from any security upon such part of the monies hereby secured as the Chargee may think best, without prejudice to or in any way limiting or lessening the liability of the Chargor, any guarantor or any other person liable for payment. The Chargee shall incur no liability to any person by reason of anything aforesaid, and any agreement or liability aforesaid shall continue in full force as long as any money remains unpaid on this Charge, but the Chargee shall not be bound to exhaust its recourses against the Chargor or other parties, or the security it may hold, before being entitled to payment from any guarantor of the amounts secured hereby.

REAL ESTATE COVENANTS

10. (a) The implied covenants deemed to be included in the mortgage under sub-section 7(1) of the Land Registration Reform Act, 1984 shall be and are hereby expressly excluded and replaced by the schedule which are covenants by the Chargor and the Chargor's successors with the Chargee and the Chargee's successors and assigns.

(b) The Chargor covenants that it has good registered title in fee simple to the Property and has the right to charge the Property to the Chargee as herein provided.

(c) On default the Chargee shall have quiet possession of the Property free from all encumbrances, except as disclosed by the records of the land registry office.

(d) The Chargor has done no act to further encumber the Property, except as disclosed by the records of the land registry office.

DISTRESS

11. The Chargee may distrain for arrears of interest. The Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

SECURITY WITH RESPECT TO LEASES AND RENTS

12. (a) Nothing herein contained shall be deemed to have the effect of making the Chargee responsible for the collection of the Rents or any part thereof or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained in the Leases and the Chargee shall not by virtue of these presents be deemed a mortgagee in possession of the Property or any of them and that this mortgage shall not of itself create the relationship of landlord and tenant between the Chargee and any lessee.

(b) The Chargee shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents and that such monies when received by the Chargee shall be applied on account of the monies from time to time due under the primary instruments of indebtedness.

(c) Nothing herein contained shall be deemed to be a consent on the part of the Chargee to the payment of rent in advance by the lessees or to an alteration of the terms of the Leases without the consent of the Chargee, whether or not a demand has occurred provided that the Chargor is acting in the normal course of its business.

(d) The Chargee may waive any default or breach of covenant herein and shall not be bound to serve any notice upon the lessees upon the happening of any default or breach of covenant but any such waiver shall not extend to any subsequent default or breach of covenant.

(e) Until default, the Chargor shall be entitled to receive the Rents and shall not be liable to account therefor to the Chargee; provided, however, after such demand the Chargee shall be entitled to collect all rents falling due subsequent to the date of service of the notice of demand.

DEFAULT

13. (a) If default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the rate or rates aforesaid, and in case the interest and compound interest are not paid within one month from the date of default, a rest shall be made and compound interest at the rate or rates aforesaid shall be payable on the aggregate amount then due, as well after as before a maturity and so on from time to time, and all such interest and compound interest shall be a charge upon the Property.

(b) On default of payment for at least fifteen (15) days, the Chargee may on at least thirty-five (35) days' notice enter on and lease the Property or on default of payment for at least fifteen (15) days may on at least thirty-five (35) days' notice sell the Property. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act* (Ontario), as amended, and in accordance with paragraph 15 hereof. Provided further, without prejudice to the statutory powers of the Chargee under the foregoing, that in case default be made in the payment of the said principal or interest or any part thereof and such default continues for two (2) months after any payment of either falls due, then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law, then notice shall be given to such persons and in such manner and form and within such time as is so required by law. The whole or any part or parts of the Property may be sold by public auction or private contract or partly one or partly the other, and the proceeds of any sale hereunder may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Property or by reason of non-payment or procuring payment of monies secured hereby or otherwise. The Chargee may sell the Property or any part thereof on such terms as to credit and otherwise as shall appear to it most advantageous and for such prices as can reasonably be obtained therefor and make any stipulations as to title or evidence or commencement of title or otherwise which it shall deem proper, and may buy in or rescind or vary and contract for the sale of the whole or any part of the Property and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit, the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of the said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

RECEIVER

14. The Chargee may by writing under the hand of any solicitor or agent authorized on its behalf, upon any default whatsoever on the part of the Chargor in payment of any principal, interest or any other monies owing hereunder, or in the observance of any of the covenants and conditions herein contained, appoint a Receiver or Manager, or Receiver and Manager, or Receiver-Manager (the "**Receiver**") of the Property or any portion thereof, and every such Receiver shall be deemed the agent of the Chargor, and the Chargor shall be solely responsible for the acts or defaults of the Receiver save and except for fraud and wilful misconduct and the Receiver shall have power to demand, recover and receive all the income of the Property of which he may be appointed Receiver, by action, distress or otherwise, either in the name of the Chargor or the Chargee, and may give effectual receipts therefor. Every such Receiver may in writing at the discretion of the Chargee complete the construction of any uncompleted structure substantially in accordance with the Chargor's plans and specifications respecting the Property or carry on the business of the Chargor relating to the said Property or any part thereof and may exercise all the powers conferred upon the Chargee hereunder. The Receiver may be removed in which case and if any Receiver dies or refuses to act or becomes incapable of acting, a new Receiver may be appointed from time to time by the Chargee by writing under the hand of any authorized solicitor or agent as aforesaid. The Chargee may from time

to time fix the remuneration of every such Receiver and may recompense every such Receiver for his disbursements properly incurred in carrying out his duties, and his fees and such payments shall be a charge upon the Property, shall be payable on demand and shall bear interest at the rate or rates hereunder. The Chargee shall not be deemed to be a mortgagee in possession and shall not be accountable except for the monies actually received by it, and the person paying money to or in any way dealing with the Receiver shall not be concerned to enquire whether any cause has happened to authorize the Receiver to act. Subject to the retention of his remuneration and disbursements as aforesaid, the Receiver shall apply all monies received by him in such of the following modes and in such order or priority as the Chargee may from time to time at its option direct in writing, namely, in discharge of all rents, taxes, assessments and outgoings whatsoever affecting the said Property; and in payment of any amounts due under any mortgage or lien; and in payment of any premiums on fire or other insurance, if any, properly payable under this Charge, payment of which is directed or confirmed in writing by the Chargee; and in payment of the costs of executing necessary or proper repairs to the said Property or any part hereof, directed or confirmed in writing by the Chargee; and in payment of the costs of carrying out or executing any of the powers, duties or discretions which vest in or may be vested in the Receiver by reason of the provisions contained in this sub-paragraph; and in payment of the interest accruing due under this Charge, and in or towards the discharge of the principal money or any instalments under this Charge, if and to the extent directed in writing by the Chargee; and shall pay the residue, if any, out of the money received by him to the person who but for the possession of the Receiver would have been entitled to receive the income of which he is appointed Receiver.

REMEDIES CUMULATIVE

15. No remedy herein conferred upon or reserved to the Chargee is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given by this Charge or any other security collateral hereto or now or hereafter existing at law or in equity or by statute. Every power and remedy given by this Charge to the Chargee may be exercised from time to time as often as may be deemed expedient by the Chargee.

DISCHARGE

16. Upon full satisfaction of all principal, interest and other monies secured hereby and the due performance of all covenants herein by the Chargor, the Chargee shall, within a reasonable time thereafter, execute a discharge of this Charge. All legal and other expenses for the preparation, execution and registration of such discharge shall be borne by the Chargor.

SEVERABILITY

17. If any one or more of the provisions contained in this Charge shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any or all other provisions of this Charge, and this Charge shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

DUE ON SALE, TRANSFER

18. In the event the Chargor sells, conveys, transfers or assigns the Property to a purchaser, transferee or an assignee, without first obtaining the consent of the Chargee in writing, at the option of the Chargee all monies secured by the within Charge shall become due and payable upon demand. A sale to an arms length purchaser of a unit to be constructed on the Property is not deemed to be a transfer or assignment within the meaning of this provision.

NO FURTHER CHARGE/ENCUMBRANCE

19. In the event that the Chargor further charges, mortgages or encumbers the Property in any way without first obtaining the written consent of the Chargee, then at the option of the Chargee all monies secured by this Charge shall become due and payable on demand.

NOTICE

20. Any and all written notices or written communications given or required to be given to a party hereunder may be delivered or, provided postal services shall not be interrupted, mailed by registered mail or sent by telegraph, telex or similar telecommunication device, and shall be deemed: (i) in the case of delivery to such party to have been duly given when the same is personally delivered to an officer of such party; (ii) if addressed to such party at its address for service as set forth on the first page of this document.

    (a) in the case of dispatch by registered mail, to have been duly given at 5:00 in the afternoon (local time of the sender) on the second day after the day the same was deposited with the post office (or the first business day thereafter if such second day is a holiday or other non-business day); and

    (b) in the case of dispatch by telegraph, telex or similar telecommunication device, to have been given the day after the day on which it is deposited for dispatch in a public office for organization of such telegram, telex or similar telecommunication device or the business day after the day on which it is dispatched if dispatched by means of private telex or other telecommunication device.

    For the purposes of the foregoing, the address for notice of each of the parties hereto shall, until changed by notice in writing by such party to the other parties, be as set out on the first page of the Charge to which this Schedule is attached.

NON-MERGER

21. It is agreed that the taking of this security shall not operate as a merger of the remedies of the Chargee for payment of the Indebtedness of the Borrower or of the remedies of the Chargee under the Commitment Letter, and notwithstanding these presents and anything herein contained the said remedies shall remain intact and be capable of enforcement against the Chargor and all other persons liable in respect thereof in the same manner

and to the same extent as if these presents had not been executed, and that these presents are and shall be a continuing security to the Chargee for the amount of the Indebtedness and interest thereon, and that this Charge shall be deemed to be taken as security for the ultimate balance of the Indebtedness.

APPLICATION OF PROCEEDS

22. And it is further agreed that any and all payments made in respect of any monies hereby secured and the monies or other proceeds realized from any securities held therefor (including this Charge) may be applied, and re-applied notwithstanding any previous application, on such part or parts of the said liability under the Commitment Letter as the Chargee may see fit.

PARTIAL DISCHARGES

23. Provided that this Charge is in good standing, the Chargor shall have the privilege of obtaining from the Chargee, without payment therefor, partial discharge (s) of part or parts of the Property as set out and for the purposes stated in Schedule "B" hereto.

PLANNING ACT COMPLIANCE

24. Provided that the Chargee may at its discretion, subject to the provisions of the Planning Act, R.S.O.1990, Chapter P.13, at all times release any part or parts of the said lands either with or without any sufficient consideration therefor, without responsibility therefor and without thereby releasing any other part of the said lands or any person from this Charge or from any of the covenants herein contained and without being accountable to the Chargor for the value thereof or for any money except that actually received by the Chargee; it being expressly agreed that every part or lot into which the charged lands are or may hereafter be divided does and shall stand charged with the whole money secured; and that the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any and all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Chargor and all other persons and securities as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge.

SALE OF EQUITY OF REDEMPTION

25. Provided that no sale or other dealing by the Chargor with the equity of redemption in the said lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of money hereby secured.

QUIET POSSESSION PRIOR TO DEFAULT

26. Provided that until default the Chargor shall have quiet possession of the Property.

INTERPRETATION

27. In construing these presents the word "Chargor" and the personal pronoun "he" or "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "he", "she", "it" or "they" and "his", "her", "its" or "their" respectively, as the number and gender of the person or persons referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted; all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargee shall be equally binding upon the Chargor's heirs, executors, administrators and assigns or successor and assigns as the case may be; all such covenants, liabilities and obligations shall be joint and several; time shall be of the essence hereof; the headings herein shall not be a guide to the interpretation of this Charge and shall not define, restrict or limit any term or provision hereof; and all provisions hereof shall have effect notwithstanding any statute to the contrary.

SHORT FORM OF MORTGAGES ACT

28. If any of the form of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474 and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the Short Forms of Mortgages Act were still in full force and effect.

RECEIPT

29. The Chargor acknowledges having received a true copy of this Charge.

HEADINGS

30. The headings of the paragraphs hereof are inserted for convenience of reference only and shall not affect the interpretation or construction of this Charge.

IN WITNESS WHEREOF the Chargor has caused this Charge to be executed under its corporate seal by its duly authorized officers in that behalf on the date noted on page one of Schedule "2" hereof.

1817955 ONTARIO LTD.

Per: _____
Name: Andrew Hill
Title: President

I have the authority to bind the corporation.

SCHEDULE "A"

PERMITTED ENCUMBRANCES

1. Miscellaneous Plan393, registered on October 4, 1939.

2. R75489, registered on March 19, 1970, is By-Law No. 6-70 of The Corporation of the Town of Port Elgin, designating an area of Subdivision Control.

3. Instrument No. BR143155, registered on May 15, 2019 is a Notice of a Site Plan Agreement in favour of The Corporation of the Town of Saugeen Shores.

4. Reference Plan No. 3R-10417, registered on December 7, 2020.

5. Instrument No. BR162987, registered on December 7, 2020, is an Application for Absolute Title.

6. Instrument No. BR163052, registered on December 9, 2020, is a Charge/Mortgage of Land in favour of Intact Insurance Company (formerly, The Guarantee Company of North America) (the "**Intact Charge**").

7. Instrument No. BR163367, registered on December 16, 2020, is an Application to Change Name Instrument, relating to the Intact Charge.

8. Instrument No. BR176790, registered on November 23 2021, is an Application to Change Name Instrument, relating to the Intact Charge.

9. Instrument No. BR176854, registered on November 24, 2021 is a Charge/Mortgage of Land (the "**Morrison Charge**") in favour of Morrison Financial Mortgage Corporation ("**Morrison**").

10. Instrument No. BR176855, registered on November 24, 2021, is a Notice of General Assignment of Rents (the "**Morrison GAR**") in favour of Morrison, relating to the Morrison Charge.

11. Instrument No. BR176879, registered on November 25, 2021, is a Postponement of the Intact Charge to the Morrison Charge and the Morrison GAR.

SCHEDULE "B"

Provided that the Chargor when not in default hereunder shall have the privilege of obtaining from the Chargee upon ten (10) business days' notice therefor, the consent in writing of the Chargee or, where applicable, (1) partial discharges of this Charge or such portions of the lands described hereunder as are required by the Chargor to be dedicated or conveyed to any municipal or governmental authority or agency including road or park dedications; and (2) all documents which may be reasonably required by the Chargor for the purposes of servicing and development of the subject lands including, postponements of this Charge, easements, rights of way, subdivision and development agreements, Planning Act proceedings, provided:

1. That the partial discharge(s) and documents referred to herein are in compliance with the part lot control and subdivision control provisions of the Planning Act; and

2. That such partial discharge(s) and consent(s) will not, in the reasonable opinion of the Chargee's counsel or the Chargee, materially or adversely affect this Charge or the value of the lands charged hereunder; and

3. That the Chargee does not incur any liability thereunder; and

4. That any execution of any such partial discharge or other document by the Chargee is to the extent only of its interest in this Charge;

5. That any consideration payable to the Chargor for such partial discharge or other document shall be paid to the Chargee in reduction of the principal and interest owing hereunder.

IF APPLICABLE, WITH RESPECT TO A PROPERTY BEING DEVELOPED AS A CONDOMINIUM:

Provided that the Chargor when not in default hereunder shall have the privilege, upon thirty (30) days' notice to the Chargee or obtaining a partial discharge of each proposed unit and ancillary parking and locker units, if any, comprising the subject lands (and each actual unit and ancillary parking and locker units as and when the lands are registered under the Condominium Act) without payment of account of principal provided that the following conditions are all complied with, namely:

1. That the partial discharge(s) referred to herein are in compliance with the part lot control and subdivision control provisions of the Planning Act; and

2. That the subject lands are registered as a condominium under the Condominium Act; and

3. That the Chargor delivers or causes to be delivered to a purchaser of such unit(s) a registrable transfer and conveyance of such unit(s); and

4. That the said purchaser registers or causes to be registered on title such transfer and conveyance; and

5. That the Chargee is furnished with a photocopy of the duplicate registered copy of such transfer and conveyance.

A partial discharge from this Charge of any unit or other lands shall automatically constitute and be a discharge from all security documents (excluding guarantees) as may be registered on the title to the charged lands or as recorded under the Personal Property Security Act.

This is **Exhibit "23"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PRIORITY AGREEMENT

THIS AGREEMENT dated the 24th day of November, 2021.

BETWEEN:

INTACT INSURANCE COMPANY

(hereinafter called "**Intact**")

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION

(hereinafter called "**Construction Lender**")

WHEREAS:

1. 1817955 ONTARIO LTD. (hereinafter called the "**Principal**") has entered into a credit facility with the Construction Lender or commitment letter with the Construction Lender dated the October 26, 2021, pursuant to which the Principal has executed and delivered certain security to the Construction Lender, including without limitation a Charge/Mortgage of Land dated November 24, 2021, in the principal amount of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS ($9,541,546.25) (the "**Construction Mortgage**") and certain other security (all present and future security granted by the Principal to the Construction Lender, collectively referred to herein as the "**Construction Lender Security**").

2. The Construction Mortgage was registered in the Land Titles Division of the Land Registry Office for the County of Bruce (No. 3) (the "**Registry Office**") on November 24, 2021 as Instrument No. BR176854 against the lands described in Schedule "A" hereto (the "**Property**").

3. The Principal has requested Intact to provide a Bond to Tarion Warranty Corporation and/or excess condominium deposit insurance policies ("ECDI") in connection with the Principal's proposed development of a residential condominium project (the "**Project**") on the Property.

4. The Principal has entered into a deposit trust agreement dated November 9, 2020 (the "**Deposit Trust Agreement**") with Intact (formerly, The Guarantee Company of North America) and Chaitons LLP (the "**Escrow Agent**") in connection with deposit monies received from time to time from purchasers of dwelling units in the Project and accrued interest thereon (the "**Deposit Monies**") pursuant to which the Deposit Monies are to be placed and held in trust in a designated and segregated trust account monitored by Intact (the "**Designated Trust Account**").

5. By a Charge/Mortgage of Land ("**Intact Mortgage**") made between the Principal as mortgagor and Intact (formerly, The Guarantee Company of North America) as mortgagee which Intact Mortgage was registered on the 9th day of December, 2020 in the Land Titles Division of the Land Registry Office for the Land Titles Division of Bruce as Instrument No. BR163052, the Principal did mortgage the Property to Intact to secure payment of the sum of EIGHT HUNDRED NINETY THOUSAND Dollars ($890,000.00) and interest as set out in Intact Mortgage.

6. By a Postponement registered in the Registry Office on November 24, 2021, Intact postponed the Intact Mortgage in favour of the Construction Mortgage.

7. By a Notice of an Agreement registered in the Registry Office on the ___ day of November, 2021 as Instrument No. BR_____ (the "**Amendment**") the Intact Mortgage was amended to secure the principal sum of ONE MILLION ONE HUNDRED THOUSAND Dollars ($1,100,000). The Intact Mortgage and the Amendment are hereinafter collectively referred to as the "**Amended Intact Mortgage**").

8. The Principal has granted to Intact, pursuant to the provisions of Amended Intact Mortgage and the Deposit Trust Agreement, a first charge and security interest in the Deposit Monies held in trust in the Designated Trust Account pursuant to the terms of the Deposit Trust Agreement (all present and future security granted by the Principal to Intact, including such security granted pursuant to Amended Intact Mortgage and the Deposit Trust Agreement, hereinafter referred to as "**Intact Security**").

9. The parties hereto wish to record their agreement as to the priorities of the Construction Lender Security and Intact Security.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are acknowledged) Intact and the Construction Lender agree as follows:

(a) The Construction Mortgage and all amounts secured thereby (including all costs, charges and fees and expenses incurred by the Construction Lender, or any agent, receiver, or receiver and manager appointed by the Construction Lender, in connection therewith but including advances made or to be made thereunder, only to the extent of Nine Million Five Hundred Forty One Thousand Five Hundred Forty Six Dollars and Twenty Five Cents ($9,541,546.25), plus interest thereunder and secured thereby shall be an encumbrance upon the Property prior to Amended Intact Mortgage, and Intact hereby postpones and subordinates all of its rights and interests under Amended Intact Mortgage to the Construction Mortgage, to all amounts secured thereby (including all costs, charges, fees and expenses incurred by the Construction Lender, or any agent, receiver or receiver and manager appointed by the Construction Lender, in connection therewith) and all advances made or to be made thereunder to the extent noted above and to all interest accruing thereunder and security thereby. In order to give effect to this postponement and subordination, Intact releases to the Construction Lender all of its rights and claims to priority with respect to Amended Intact Mortgage to the extent noted above.

(b) Subject to the provisions of Paragraph (a) above in respect of the Construction Mortgage and Amended Intact Mortgage, Intact Security shall at all times be postponed to and rank subordinate to the Construction Lender Security, except in respect of the Deposit Monies, in respect to Intact Security shall have priority over the Construction Lender Security for only so long as, and to the extent that, such Deposit Monies shall remain in trust in the Designated Trust Account pursuant to the provisions of the Deposit Trust Agreement. For such purposes the Construction Lender hereby subordinates the Construction Lender Security, including all registrations made under the Personal Property Security Act (the "PPSA") in respect thereof, Intact Security in respect of the Deposit Monies.

(c) The above postponements and subordinations shall apply notwithstanding the respective dates of execution and registration of any of the Construction Lender Security or Intact Security, the date of attachment or perfection of any security interest granted thereby, the date of any advance, the date of any default, or any other matter. Each of the parties hereto agrees that it shall not claim against the other the benefit of any charge, mortgage, security interest, trust or other claim which would affect the priorities set out therein.

(d) Intact hereby confirms that notwithstanding any provision to the contrary in any of Intact Security, the security provided by Intact Security over the Property and other assets of the Principal in any way related to the Project (including without limitation, the Deposit Monies) shall not secure any indebtedness, liability or obligation of the Principal except in respect of the Project, while any amounts under the Construction Lender Security remains unpaid.

(e) Intact and the Construction Lender consent to the granting of the security by the Principal referred to herein, and shall at all times and from time execute and deliver to the other all such further documents, agreements or other assurances as may be necessary to give effect to this agreement and to carry out the intent hereof. Nothing herein shall affect the rights of Intact and the Construction Lender respectively against the Principal. The provisions of this agreement shall enure to the benefit of and be binding upon the Construction Lender and Intact and their respective successors and assigns, and shall be interpreted and construed according to the laws of the Province of Ontario.

(f) Intact hereby covenants, agrees and undertakes to and with the Construction Lender to execute and deliver without payment (whether on account of principal, interest or otherwise) therefor and notwithstanding any default under Intact Security:

(i) any and all plans, documents and agreements whatsoever which may be necessary or desirable in order to facilitate the development of the Property, including without limitation, the registration of a plan or plans of condominium;

(ii) such partial discharge or discharges or other assurances as may be required to convey to any municipality, public authority, other governmental body or authority, railway company, utility, or conservation authority, any lands required for municipal, public or any other purpose, in order to permit the registration of a plan or plans of condominium, or for any other municipal or public purpose, including but without limiting in any way the generality of the foregoing, such public or private purposes as roads, road widenings, highways, walkways, reserves and parks;

(iii) such partial discharge or discharges and any consents, subordinations or postponements required in order to create and grant easements, rights-of-way, licences or reserves for utilities whether public, quasi public or private and whether for gas, water, electricity, telephone, sewer (sanitary and storm), cable television or similar services;

(iv) any document required by the Principal in connection with the entering into of any condominium, development, site plan, engineering or similar development agreement with the relevant municipality, public or private utility or other governmental authority; and

(v) partial discharges of Intact Security in respect of condominium units (and their appurtenant common interests) and any other part of the Property to facilitate the closing of sales thereof, until the indebtedness secured by the Construction Lender Security has been paid in full, provided that the net proceeds from such sales are applied to reduce the indebtedness outstanding to the Construction Lender.

(g) This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument. Counterparts may be executed and delivered by facsimile or other form of electronic transmission and shall have the same legally binding effect as if they were an original; provided, however that any party providing its signature in such manner shall promptly forward to the other parties an original of the executed copy of this Agreement which was so faxed or electronically transmitted.

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

INTACT INSURANCE COMPANY

Per: _____
Name: Kim Roberts
Title: Senior Underwriter, Developer Surety

Per: _____
Name: Sheriar Irani
Title: Senior Underwriter, Developer Surety

We have authority to bind the Corporation.

MORRISON FINANCIAL MORTGAGE CORPORATION

Per: _____
Name: Alenua Emer
Title: CFO

I have authority to bind the Corporation.

SCHEDULE "A"

Legal description of the Lands

Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417, Town of Saugeen Shores being all of PIN 33268-2035 LT.

This is **Exhibit "24"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PROPERTY DESCRIPTION: PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION FOR ABSOLUTE TITLE IS 2020/12/07.

1020 Goderich Street, Port Elgin

ESTATE/QUALIFIER:
FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY:
RE-ENTRY FROM 33268-0819

PIN CREATION DATE:
2020/12/07

OWNERS' NAMES
1817955 ONTARIO LTD.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2020/12/07 **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
PL393	1939/10/04	PLAN MISCELLANEOUS				C
R75489	1970/03/19	BYLAW				C
BR96435	2015/05/29	TRANSFER	$550,000	LEE, PAK WAH	1817955 ONTARIO LTD.	C
REMARKS: PLANNING ACT STATEMENTS.						
BR96436	2015/05/29	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1817955 ONTARIO LTD.	THE TORONTO-DOMINION BANK	
BR143155	2019/05/15	NOTICE	$1	THE CORPORATION OF THE TOWN OF SAUGEEN SHORES	1817955 ONTARIO LTD.	C
REMARKS: SITE PLAN AGREEMENT						
3R10417	2020/12/07	PLAN REFERENCE				C
BR162987	2020/12/07	APL ABSOLUTE TITLE		1817955 ONTARIO LTD.		C
REMARKS: BR158829 PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417						
BR163052	2020/12/09	CHARGE	$890,000	1817955 ONTARIO LTD.	THE GUARANTE COMPANY OF NORTH AMERICA	C
BR163367	2020/12/16	APL CH NAME INST		THE GUARANTE COMPANY OF NORTH AMERICA	THE GUARANTEE COMPANY OF NORTH AMERICA	C
REMARKS: BR163052.						
BR171119	2021/07/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: BR96436.						
BR176790	2021/11/23	APL CH NAME INST		THE GUARANTEE COMPANY OF NORTH AMERICA	INTACT INSURANCE COMPANY	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
	REMARKS: BR163052.					
BR176854	2021/11/24	CHARGE	$9,541,546	1817955 ONTARIO LTD.	MORRISON FINANCIAL MORTGAGE CORPORATION	C
BR176855	2021/11/24	NO ASSGN RENT GEN		1817955 ONTARIO LTD.	MORRISON FINANCIAL MORTGAGE CORPORATION	C
	REMARKS: BR176854.					
BR176879	2021/11/25	POSTPONEMENT		INTACT INSURANCE COMPANY	MORRISON FINANCIAL MORTGAGE CORPORATION	C
	REMARKS: BR163052 & BR176790 TO BR176854 & BR176855.					
BR176980	2021/11/26	NOTICE	$2	1817955 ONTARIO LTD.	INTACT INSURANCE COMPANY	C
	REMARKS: BR163052					
BR198964	2023/10/13	NOTICE		1817955 ONTARIO LTD.	MORRISON FINANCIAL MORTGAGE CORPORATION	C
	REMARKS: BR176854					
BR198965	2023/10/13	NO ASSGN RENT GEN		1817955 ONTARIO LTD.	MORRISON FINANCIAL MORTGAGE CORPORATION	C
	REMARKS: BR176854					
BR198966	2023/10/13	POSTPONEMENT		INTACT INSURANCE COMPANY	MORRISON FINANCIAL MORTGAGE CORPORATION	C
	REMARKS: BR163052 TO BR198964					
BR207916	2024/09/17	APL DEPOSIT PLAN		*** COMPLETELY DELETED ***		
3R10923	2024/09/19	PLAN REFERENCE				C
	REMARKS: BR207916.					

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

This is **Exhibit "25"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: FDCF12DC-2B78-443C-B7D0-D63E88A13348

Morrison Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

March 23, 2022

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON
L6C 3A6

Attention: Paul Soni

Dear Mr.Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

Background

On March 2, 2022, the Lender attended a site visit with the Borrower. Upon completion of the site visit, the Lender was informed of a cost overrun of the Project, of approximately $800,000. The Cost Consultant of the Project verified this cost overrun. The Borrower has requested, and the Lender has agreed to increase the Loan Amount pursuant to a new loan facility ("Facility 3") of $605,728 to account for a portion of this cost overrun. Further, the Lender has agreed to allocate $150,000 of project contingency to this overrun. In addition to this, the Borrower has agreed to provide an assignment of sale proceeds of Unit 204 located at 137 Elgin Street, Port Elgin, ON N0H 2C6, with a minimum amount of $150,000 to be used to pay down the Loan outstanding per the Agreement of Purchase and Sale dated February 24, 2022, which closing is scheduled for April 28, 2022 ("Sale Proceeds"). Engagement of counsel is required to confirm the assignment of Sale Proceeds. Irrevocable authorization and direction to remit Sale Proceeds to Morrison Financial Mortgage Corporation must be acknowledged and agreed to by the closing counsel. Upon receipt, this will be considered additional equity in the Project.

The Borrower has requested, and the Lender agrees to amend the Commitment as follows:

The Business Plan shall be amended as follows:

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Sources of Funds	**$**
Borrower Equity	$1,643,572
Sale Proceeds as addt'l equity[1]	$150,000
Purchaser Deposits	$950,066
Deferred Costs	$157,770
Facility 1: MFMC Loan	$7,313,179
Facility 2: MFMC Mezz. Loan 1	$320,058
Facility 3: MFMC Mezz Loan 2	$605,728
Total Sources of Funds	**$11,140,373**

Note1: Sale Proceeds as additional equity to be used to paydown outstanding Loan balance to be received by the Lender at the closing date scheduled for April 28, 2022.

Uses of Funds	**$**
Total Land Costs	$550,000
Total Site Servicing Costs	$417,798
Total Soft Costs	$1,131,665
Total Hard Costs	$7,143,256
Total Finance Costs	$1,320,327
Sales Commissions	$315,540
Contingency Remaining	$261,787
Offsetting Income	$0
Total Uses	**$11,140,373**

Amendment 1:
Loan Amount: The total Loan Amount shall be amended from $7,633,237 to $8,238,965.

Amendment 2:
Interest Rate: Financial and Administrative Terms Section (a) Interest Rate shall have bullet (iii) added as follows:

> iii. Facility 3: Floating at a greater of 11% per annum and the Bank of Nova Scotia Posted Bank Prime Rate of Interest (the "Prime Rate") as adjusted from time to time plus 8.55% per annum, interest only, calculated daily, compounded and due monthly.

Amendment 3:
Term: Financial and Administrative Terms Section (b) Term shall have bullet (iii) added as follows:

> iii. Facility 3: Twenty-One (21) months from the Interest Adjustment Date, but in no event shall the term of Facility 3 exceed the Term of Facility 1.

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Amendment 4:
Interest Reserve: Financial and Administrative Terms Section (f) Interest Reserve shall be increased such that $679,742 shall be on account of Facility 1, $30,262 shall be on account of Facility 2 and $87,556 shall be on account of Facility 3. All other terms of the Interest Reserve shall remain unchanged.

Amendment 5:
Partial Discharges: Financial and Administrative Terms Section (h) Partial Discharges shall delete the following:

> 100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 2, secondly to repay Facility 1 and thirdly, to cash secure any outstanding letters of credit, if applicable.

The above deleted phrase shall be replaced by the following, with all other terms of Partial Discharges to remain:

> 100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 1, secondly to repay Facility 2, thirdly to repay Facility 3, and lastly to cash secure any outstanding letters of credit, if applicable.

Amendment 6:
(10) Advances Section (h) shall delete the following:

> Facility 2 shall be advanced firstly, and once completely drawn, per the Business Plan, then Facility 1 shall be advanced; and

The above deleted phrase shall be replaced by the following, with all other terms of Advances to remain:

> Facility 3 shall be advanced firstly, and once completely drawn, per the Business Plan, any subsequent advances will be advanced under Facility 2, and once completely drawn then Facility 1 shall be advanced; and

Amendment 7:
Facility 3 Commitment Fee: On account of Facility 3, a further commitment fee of **$18,172** shall be immediately due and shall be advanced under Facility 3, withheld by the Lender as payment, and such advance shall bear interest from that date.

Amendment 8:
An additional condition of this amendment shall be added as follows. Prior to any subsequent advances under the Loan, this condition must be met.

Assignment of Sale Proceeds of Unit 204 located at 137 Elgin Street, Port Elgin, ON N0H 2C6, with a minimum amount of $150,000 to be used to pay down the Loan outstanding per the Agreement of Purchase and Sale dated February 24, 2022.

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Subject to the amendment of these provisions, all other terms and conditions of the Commitment shall continue to govern. A failure to adhere to the terms of this letter or any prior will constitute a default under the Loan.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

Graham Banks, CFA
Senior Vice President

Per:

Alenna Emer, CPA, CA
Chief Financial Officer

E. & O.E.

[CONTINUES ON FOLLOWING PAGE]

DocuSign Envelope ID: FDCF12DC-2B78-443C-B7D0-D63E88A13348

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin this 23rd day of March, 2022.

1817955 Ontario Ltd.

DocuSigned by:
5CA288AE00FB47C...

Name: Andrew Hill
Title:
I/we have the ability to bind the corporation.

AS COVENANTOR

Andrew Hill
Per:

DocuSigned by:
5CA288AE00FB47C...

In his personal capacity.

This is Page 5 of an amendment dated March 23, 2022, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, which forms the basis of an on-going financing.

This is **Exhibit "26"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: 5D668FC7-D9FA-4D92-9683-5181F3D5AA45

DIRECTION RE FUNDS

TO: Blair Law Firm, Tina Blair

RE: Hill sale to Banu/Mohammad
204-137 Elgin Street, Port Elgin (Town of Saugeen Shores)
Closing Date: April 28, 2022

This is to direct you and shall constitute your good and sufficient and irrevocable authority to make proceeds from the above sale payable as follows:

Morrison Financial Mortgage Corporation in Trust $150,000.00

DATED at Saugeen Shores, this 29th day of March, 2022.

DocuSigned by:
3/29/2022
E86C9E13121C42D...
Andrew Terence Hill

DocuSigned by:
Kimberley Gail Hill 3/29/2022
190664164D3C4F2...
Kimberley Gail Hill

DS DS

This is **Exhibit "27"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: 394E2A4D-CEAF-4CBC-8C94-696077C55402

Morrison Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

June 21, 2022

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON
L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 and as amended by letter agreement dated March 23, 2022 (the "Commitment"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Borrower has requested, and the Lender agrees that the following provisions of the Loan will be amended as follows:

Amendment 1:

To add a *Facility 4* to the Loan whose purpose is to advance $74,775 in cash to Westario Power Inc., or to a Canadian chartered bank as security for a letter of credit in favor of Westario Power Inc., or a combination thereof, with respect to the Project. This *Facility 4* will bear the same rate of interest as *Facility 1*;

Amendment 2:

This *Facility 4* shall be subject to a Commitment Fee in the amount of $1,634.00 which shall be added to the Loan Amount on the date of its advance;

Amendment 3:

Respecting *5h. Partial Discharges* shall delete the following:

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100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 1, secondly to repay Facility 2, thirdly to repay Facility 3, and lastly to cash secure any outstanding letters of credit, if applicable.

The above deleted phrase shall be replaced by the following, with all other terms of Partial Discharges to remain:

100% of Net closing proceeds shall be applied as follows: Firstly, to repay Facility 1, secondly to repay Facility 2, thirdly to repay Facility 3, fourthly to repay Facility 4, and lastly to cash secure any outstanding letters of credit, if applicable.

All other terms and conditions of the Commitment shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

DocuSigned by:
B212C59A92A444C...
Graham Banks, CFA
Senior Vice President

Per:

DocuSigned by:
Alenna Emer
67462B5B0295426...
Alenna Emer, CPA, CA
Chief Financial Officer

E. & O.E.

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of port elgin this 21 day of june, 2022.

1817955 Ontario Ltd.
Per:

DocuSigned by:
5CA288AE00FB47C...
Name: Andrew Hill
Title: President
I/we have the ability to bind the corporation.

DocuSign Envelope ID: 394E2A4D-CEAF-4CBC-8C94-696077C55402

AS COVENANTOR

Andrew Hill
Per:

DocuSigned by:
5CA288AE00FB47C...
In his personal capacity.

This is Page 3 of an amendment dated June 21, 2022, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021 and as amended by letter agreement dated March 23, 2022, which forms the basis of an on-going financing.

This is **Exhibit "28"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: F03901B2-0D08-460B-864A-0BF50984C005

Morrison Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

November 23, 2022

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON
L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 and as amended by letter agreement dated March 23, 2022 and June 21, 2022 (the "Commitment"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Borrower has requested, and the Lender agrees that the following provisions of the Loan will be amended as follows:

Amendment 1:

The Term of Facility 2 shall be extended by 12 months. The end of Term date shall be updated from November 30, 2022, to November 30, 2023.

Amendment 2:

The Interest Reserve of Facility 2 shall be increased by $51,804.01 to $82,066.01.

Amendment 3:

Facility 2 shall be subject to an extension fee equal to $7,216.46, which shall be payable on upon acceptance of this letter and added to the outstanding Loan balance of Facility 2.

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Amendment 4:

The Facility 2 Loan Amount shall be increased to $412,369.22 from $320,058.

All other terms and conditions of the Commitment shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per: DocuSigned by: B212C59A92A444C...
Graham Banks, CFA
Senior Vice President

Per: DocuSigned by: Alenna Emer 67462B5B0295426...
Alenna Emer, CPA, CA
Chief Financial Officer

E. & O.E.

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin this _____ day of _____, 2022. 11/23/2022

1817955 Ontario Ltd.
Per: DocuSigned by: 5CA288AE00FB47C...

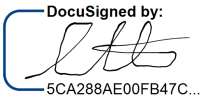
Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

[CONTINUES ON FOLLOWING PAGE]

DocuSign Envelope ID: F03901B2-0D08-460B-864A-0BF50984C005

AS COVENANTOR

Andrew Hill
Per:



In his personal capacity.

This is Page 3 of an amendment dated November 23, 2022, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreement dated March 23, 2022 and June 21, 2022, which forms the basis of an on-going financing.

This is **Exhibit "29"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: 597D2011-9502-495C-A77E-DCCF2E361B4D

Morrison Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

February 17, 2023

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment") and as amended by letter agreement dated March 23, 2022, June 21, 2022, and November 23, 2022 (the "Commitment Amendments"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Borrower has requested, and the Lender agrees that the following provision of the Loan will be amended as follows:

Term: Financial and Administrative Terms Section (b) Term shall have bullet (iv) added as follows:

iv. Facility 4: Twenty-Four (24) months from the Interest Adjustment Date, but in no event shall the Term of Facility 4 exceed the Term of Facility 1.

All other terms and conditions of the Commitment shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

DocuSigned by:
Graham Banks
Graham Banks, CFA
Senior Vice President
E. & O.E.

Per:

Alenna Emer
Alenna Emer, CPA, CA
Chief Financial Officer

DocuSign Envelope ID: 597D2011-9502-495C-A77E-DCCF2E361B4D

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions. 2/17/2023

Dated at the City of Port Elgin. this _____ day of _____, 2023.

1817955 Ontario Ltd.
Per:

DocuSigned by:
5CA288AE00FB47C...

Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

AS COVENANTOR

Andrew Hill
Per:

DocuSigned by:
5CA288AE00FB47C...

In his personal capacity.

This is Page 2 of an amendment dated February 17, 2023, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreement dated March 23, 2022, June 21, 2022, and November 23, 2022, which forms the basis of an on-going financing.

This is **Exhibit "30"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: A729C9F1-A9E1-4E3B-BA4B-C6FFC77CB297

Morrison Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

March 31, 2023

1817955 Ontario Ltd.
c/o Paul Soni
40 Calico Crescent
Markham ON L6C 3A6

Attention: Paul Soni

Dear Mr. Hill:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment") and as amended by letter agreement dated March 23, 2022, June 21, 2022, November 23, 2022, and February 17, 2023 (the "Commitment Amendments"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Borrower has requested, and the Lender agrees that the following provision of the Loan will be amended as follows:

1. **Background**:

   From the first advance of the Loan on November 19, 2021, the Borrower has reported to the Lender it is nearing completion/ occupancy of the commercial building and has started the foundations for the residential building on the Property. Delays and complications resulting from the COVID-19 pandemic have resulted in cost overruns to the Project expected to total $780,000, as represented by the Borrower.

   To accommodate these changes, the Borrower is providing the Lender collateral security in additional properties, and the Lender agrees to fund the first cost overrun of $162,446 as follows below. Any further requests for funding of further cost overruns in consideration of the anticipated total of $780,000 are subject to review and approval by the Lender on an individual basis.

2. **Borrower**:
   Kimberley Gail Hill shall be added as co-borrower to the Loan, in support of the security being provided against 1632 12th Concession, Kincardine, and 137 Elgin Street, Unit 202.

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3. **Security**:

The lands and premises known municipally as 1632 12th Concession, Kincardine, and 137 Elgin Street, Unit 202 (legal description is subject to confirmation by counsel) shall be added as Security and shall be respectively referred to as Property #2, and Property #3, with the subject primary property of this financing, 1020 Goderich Street, Port Elgin, ON, being referred to as Property #1.

Prior ranked security against Property #2 shall not exceed $900,000 and prior ranked security registered against Property #3 shall not exceed $700,000. Mortgage registration and charge against Property #2 shall be for an amount equal to $800,000 and against Property #3 shall be for an amount equal to $300,000. All costs associated with the implementation shall be to the account of the Borrower and be added to Facility 3 under the Loan.

4. **Discharge of Security of Property #2 and Property #3:**

The Security shall be held by the Lender and released only following the repayment of the Loan in full, including interest accrued, fees, or any other costs outstanding. Should the Borrower request release of such Security under Property #2 and Property #3 at such earlier time, then the Lender will review and may agree to such release of security in its sole and absolute discretion and under such conditions which are acceptable to the Lender.

5. **Loan Amount:**

The Loan Amount shall be increased from $8,413,001 to $8,575,467, with such an increase being applicable to Facility 3 under the Loan and increasing Facility 3 from $605,728 to $768,194. Such cost overrun shall be funded first, under the subsequent advance of the Loan and shall bear interest from that date.

6. **Commitment Fee**:

The Loan will be subject to an additional $3,250 Commitment Fee, which will be due and payable upon acceptance of this letter. This fee is associated with the increased Loan Amount on account of the cost overrun under consideration and shall be funded under Facility 3 of the Loan.

7. **Independent Legal Advice**:

As it is understood that Property #2 and Property #3 are matrimonial homes, independent legal advice will be required for the spouse of Andrew Hill, prior to registration of such security.

[continues on following page]

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All other terms and conditions of the Commitment and Commitment Amendments hereto shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

DocuSigned by:
David Morrison
1E5361EED5EA474...
David Morrison, B.A., J.D.
President

Per:

DocuSigned by:
Alenna Emer
67462B5B0295426...
Alenna Emer, CPA, CA
Chief Financial Officer

E. & O.E.

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin this _____ day of 4/4/2023, 2023.

1817955 Ontario Ltd.
Per:

DocuSigned by:
5CA288AE00EB47C...
Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

Kimberley Gail Hill
Per:

DocuSigned by:
Kimberley Gail Hill
EB3F2568E64746B...
In her personal capacity.

[continues on following page]

DocuSign Envelope ID: A729C9F1-A9E1-4E3B-BA4B-C6FFC77CB297

AS COVENANTOR

Andrew Hill
Per:

DocuSigned by:
5CA288AE00FB47C...
In his personal capacity.

This is Page 4 of an amendment dated March 31, 2023, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreement dated March 23, 2022, June 21, 2022, November 23, 2022, and February 17, 2023, which forms the basis of an on-going financing.

This is **Exhibit "31"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: Andrew Terence Hill – Second priority Charge to MORRISON FINANCIAL MORTGAGE CORPORATION – 1632 Concession 12, Kincardine legally described as Lot F, Concession 13 Bruce, Kincardine (PIN 33277-0054) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Charge and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Charge in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The effect of the electronic document described in this Acknowledgment and Direction has been fully explained to Kimberley Gail Hill by her own lawyer and she is consenting to the registration of the attached Charge in her capacity as the spouse of Andrew Terence Hill.

7. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

8. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 4th day of May, 2023.

WITNESS:

DocuSigned by:

as to the signature of

DocuSigned by:

Andrew Terence Hill – Guarantor

DocuSigned by:

as to the signature of

DocuSigned by:
kimberley Gail Hill

Kimberley Gail Hill – Guarantor

DocuSigned by:

as to the signature of

DocuSigned by:
kimberley Gail Hill

Kimberley Gail Hill – Consenting Spouse

DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

Properties

PIN	33277 - 0054 LT	*Interest/Estate*	Fee Simple
Description	LT F CON 13 BRUCE; KINCARDINE		
Address	1632 CONCESSION 12 KINCARDINE		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name HILL, ANDREW TERENCE
Acting as an individual
Address for Service 1632 Concession 12
Kincardine, ON
N0H 2C0

I am at least 18 years of age.

My spouse has consented to this transaction.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION
Acting as a company
Address for Service Suite 202
8 Sampson Mews
Toronto, ON
M3C 0H5

Provisions

Principal	$800,000.00	*Currency*	CDN
Calculation Period	calculated daily, compounded and payable monthly, not in advance		
Balance Due Date	ON DEMAND		
Interest Rate	Greater of 10.0% per annum and the Bank of Nova Scotia posted Bank prime rate of interest ("Prime Rate") as adjusteed from time to tim plus 7.55% per annum		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full Insurable value		
Guarantor	Kimberley Gail Hill		

Additional Provisions

This Charge is collateral security to the Chargor's guarantee of the amounts owing to the Chargee from 1817955 Ontario Ltd. pursuant to a Commitment letter dated October 26, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023 and March 31, 2023 (collectively the "Commitment") and shall only be discharged upon repayment of all amounts owing pursuant to the Commitment.

DS DS

This is **Exhibit "32"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN	33277 - 0054 LT	*Interest/Estate*	Fee Simple
Description	LT F CON 13 BRUCE; KINCARDINE		
Address	1632 CONCESSION 12 KINCARDINE		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	HILL, ANDREW TERENCE
Address for Service	1632 Concession 12 Kincardine, ON N0H 2C0

I am at least 18 years of age.

My spouse has consented to this transaction.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name	MORRISON FINANCIAL MORTGAGE CORPORATION
Address for Service	Suite 202 8 Sampson Mews Toronto, ON M3C 0H5

Provisions

Principal	$800,000.00	*Currency*	CDN
Calculation Period	calculated daily, compounded and payable monthly, not in advance		
Balance Due Date	ON DEMAND		
Interest Rate	Greater of 10.0% per annum and the Bank of Nova Scotia posted Bank prime rate of interest ("Prime Rate") as adjusteed from time to tim plus 7.55% per annum		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	Kimberley Gail Hill		

Additional Provisions

This Charge is collateral security to the Chargor's guarantee of the amounts owing to the Chargee from 1817955 Ontario Ltd. pursuant to a Commitment letter dated October 26, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023 and March 31, 2023 (collectively the "Commitment") and shall only be discharged upon repayment of all amounts owing pursuant to the Commitment.

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Chargor(s)	Signed	2023 05 18

Tel 416-484-8558

Fax 416-484-6918

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

RUDERMAN, SHAW
Suite 801 - 40 Holly Street
Toronto
M4S 3C3
2023 05 18

Tel 416-484-8558
Fax 416-484-6918

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

This is **Exhibit "33"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PROPERTY DESCRIPTION: LT F CON 13 BRUCE; KINCARDINE

1632 Concession Road 12, Kincardine

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
2006/10/23

OWNERS' NAMES	CAPACITY	SHARE
WOLKER, BRANDON RODNEY	JTEN	
CERNELE, JAMI ERIN	JTEN	

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2006/10/20 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2006/10/23 **						
3R995	1975/02/10	PLAN REFERENCE				C
R257028	1989/06/19	TRANSFER		*** COMPLETELY DELETED ***	HILL, ANDREW TERRENCE PEARCE, TINA MARIE	
R337971	1998/10/23	CHARGE		*** COMPLETELY DELETED ***	THE TORONTO-DOMINION BANK	
R346987	2000/01/06	CHARGE		*** COMPLETELY DELETED ***	ROMSPEN INVESTMENT CORPORATION	
R346988	2000/01/06	ASSIGNMENT GENERAL		*** COMPLETELY DELETED ***		
REMARKS: RENTS, R346987						
BR9738	2007/12/20	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE PEARCE, TINA MARIE	THE TORONTO-DOMINION BANK	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BR9844	2007/12/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: RE: R337971					
BR10931	2008/02/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROMSPEN INVESTMENT CORPORATION		
	REMARKS: RE: R346987					
BR24562	2009/02/06	APL CH NAME OWNER		*** COMPLETELY DELETED *** PEARCE, TINA MARIE	HILL, TINA MARIE	
BR24563	2009/02/06	TRANSFER		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE HILL, TINA MARIE	HILL, ANDREW TERRENCE	
BR24564	2009/02/06	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE	THE TORONTO-DOMINION BANK	
BR25205	2009/03/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: RE: BR9738					
BR40937	2010/05/13	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE	THE TORONTO-DOMINION BANK	
BR81750	2013/11/20	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE	THE TORONTO-DOMINION BANK	
BR89000	2014/08/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: BR40937.					
BR93260	2015/01/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: BR24564.					
BR120587	2017/06/26	APL CH NAME OWNER		*** COMPLETELY DELETED *** HILL, ANDREW TERRENCE	HILL, ANDREW TERENCE	
BR123112	2017/08/31	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	HARBOUREDGE MORTGAGE INVESTMENT CORPORATION	
BR128331	2018/01/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** HARBOUREDGE MORTGAGE INVESTMENT CORPORATION		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
	REMARKS: BR123112.					
BR141137	2019/02/28	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE	LAVIGNE, SUSAN	
BR143677	2019/05/30	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE	LAVIGNE, SUSAN	
BR168107	2021/04/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** LAVIGNE, SUSAN		
	REMARKS: BR141137.					
BR168310	2021/04/30	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE	CMI BALANCED MORTGAGE FUND CORP.	
BR168473	2021/05/04	DISCH OF CHARGE		*** COMPLETELY DELETED *** LAVIGNE, SUSAN		
	REMARKS: BR143677.					
BR188101	2022/09/29	NOTICE OF LEASE	$2	HILL, ANDREW TERENCE	BELL MOBILITY INC.	C
BR194348	2023/05/18	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE	MORRISON FINANCIAL MORTGAGE CORPORATION	
BR203900	2024/05/02	TRANSFER	$1,150,000	HILL, ANDREW TERENCE	WOLKER, BRANDON RODNEY CERNELE, JAMI ERIN	C
	REMARKS: PLANNING ACT STATEMENTS.					
BR203901	2024/05/02	CHARGE	$876,000	WOLKER, BRANDON RODNEY CERNELE, JAMI ERIN	NORTHERN CREDIT UNION LIMITED	C
BR203911	2024/05/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** MORRISON FINANCIAL MORTGAGE CORPORATION		
	REMARKS: BR194348.					
BR203912	2024/05/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** CMI BALANCED MORTGAGE FUND CORP.		
	REMARKS: BR168310.					
BR209551	2024/11/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: BR81750.					

285

This is **Exhibit "34"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: Andrew Terence Hill and Kimberley Gail Hill – Second priority Charge to MORRISON FINANCIAL MORTGAGE CORPORATION – Suite 202 – 137 Elgin Street, Port Elgin, Ontario legally described as Unit 2, Level 2, Bruce Standard Condominium Plan No. 34 and its appurtenant interest, Town of Saugeen Shores (PIN 33834-0002 LT) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Charge and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Charge in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us by our own lawyers and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 4th day of May, 2023.

WITNESS:

DocuSigned by:

as to the signature of

DocuSigned by:

Andrew Terence Hill – Guarantor

DocuSigned by:

as to the signature of

DocuSigned by:

Kimberley Gail Hill

DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

Properties

PIN	33834 - 0002 LT	*Interest/Estate*	Fee Simple
Description	UNIT 2, LEVEL 2, BRUCE STANDARD CONDOMINIUM PLAN NO. 34 AND ITS APPURTENANT INTEREST; TOWN OF SAUGEEN SHORES		
Address	202 SUITE 137 ELGIN STREET PORT ELGIN		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name HILL, ANDREW TERENCE
Acting as an Individual
Address for Service 1632 12th Concession
Kincardine, ON
N0H 2C5

I am at least 18 years of age.
My spouse is a party to this document.
This document is not authorized under Power of Attorney by this party.

Name HILL, KIMBERLEY GAIL
Acting as an individual
Address for Service 1632 12th Concession
Kincardine, ON
N0H 2C5

I am at least 18 years of age.
My spouse is a party to this document.
This document is not authorized under Power of Attorney by this party.

Chargee(s) — Capacity — Share

Name MORRISON FINANCIAL MORTGAGE CORPORATION
Acting as a company
Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Provisions

Principal	$300,000.00	*Currency*	CDN
Calculation Period			
Balance Due Date	ON DEMAND		
Interest Rate			
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Additional Provisions

This Charge is collateral security to the Chargors guarantees of amounts owing to the Chargee from 1817955 Ontario Ltd. pursuant to a commitment letter dated October 26, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023 and March 31, 2023 (collectively the "Commitment").

DS DS

This is **Exhibit "35"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN	33834 - 0002 LT	*Interest/Estate*	Fee Simple
Description	UNIT 2, LEVEL 2, BRUCE STANDARD CONDOMINIUM PLAN NO. 34 AND ITS APPURTENANT INTEREST; TOWN OF SAUGEEN SHORES		
Address	202 SUITE 137 ELGIN STREET PORT ELGIN		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	HILL, ANDREW TERENCE
Address for Service	1632 12th Concession Kincardine, ON N0H 2C5

I am at least 18 years of age.
My spouse is a party to this document.
This document is not authorized under Power of Attorney by this party.

Name	HILL, KIMBERLEY GAIL
Address for Service	1632 12th Concession Kincardine, ON N0H 2C5

I am at least 18 years of age.
My spouse is a party to this document.
This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name	MORRISON FINANCIAL MORTGAGE CORPORATION
Address for Service	Suite 202 8 Sampson Mews Toronto, Ontario M3C 0H5

Provisions

Principal	$300,000.00	*Currency*	CDN
Calculation Period			
Balance Due Date	ON DEMAND		
Interest Rate			
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Additional Provisions

This Charge is collateral security to the Chargors guarantees of amounts owing to the Chargee from 1817955 Ontario Ltd. pursuant to a commitment letter dated October 26, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023 and March 31, 2023 (collectively the "Commitment") and shall only be discharged upon repayment of all amounts owing pursuant to the Commitment.

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Chargor(s)	Signed	2023 05 18

Tel 416-484-8558
Fax 416-484-6918

Signed By

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

RUDERMAN, SHAW		Suite 801 - 40 Holly Street Toronto M4S 3C3	2023 05 18
Tel	416-484-8558		
Fax	416-484-6918		

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

This is **Exhibit "36"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PROPERTY DESCRIPTION: UNIT 2, LEVEL 2, BRUCE STANDARD CONDOMINIUM PLAN NO. 34 AND ITS APPURTENANT INTEREST; TOWN OF SAUGEEN SHORES

137 Elgin Street, Suite 202, Port Elgin

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2009/03/02.

ESTATE/QUALIFIER:	RECENTLY:	PIN CREATION DATE:
FEE SIMPLE LT ABSOLUTE PLUS	CONDOMINIUM FROM 33269-0103	2016/05/20

OWNERS' NAMES	CAPACITY	SHARE
HILL, ANDREW TERENCE	JTEN	
HILL, KIMBERLEY GAIL	JTEN	

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2016/05/20 **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
R75489	1970/03/19	BYLAW				C
293 R87027	1992/06/17	AGREEMENT			TOWN OF PORT ELGIN	C
BR71863	2012/11/27	NOTICE	$1	THE CORPORATION OF THE TOWN OF SAUGEEN SHORES	1867431 ONTARIO LTD.	C
REMARKS: SITE PLAN AGREEMENT						
BR81033	2013/10/25	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	ROMSPEN INVESTMENT CORPORATION	
BR81034	2013/10/25	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	ROMSPEN INVESTMENT CORPORATION	
REMARKS: BR81033.						
BR83784	2014/02/19	NOTICE	$1	THE CORPORATION OF THE TOWN OF SAUGEEN SHORES	1867431 ONTARIO LTD.	C
REMARKS: SITE PLAN AGREEMENT						
BR86386	2014/06/03	NOTICE		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	ROMSPEN INVESTMENT CORPORATION	
REMARKS: BR81033						
BR92494	2014/12/17	NOTICE		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	ROMSPEN INVESTMENT CORPORATION	
REMARKS: BR81033						
BR98004	2015/07/14	NOTICE	$1	THE CORPORATION OF THE TOWN OF SAUGEEN SHORES	1867431 ONTARIO LTD.	C
REMARKS: SITE PLAN AGREEMENT						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BR100142	2015/09/17	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	THE GUARANTEE COMPANY OF NORTH AMERICA	
BR102445	2015/11/20	NOTICE		*** DELETED AGAINST THIS PROPERTY *** 1867431 ONTARIO LTD.	ROMSPEN INVESTMENT CORPORATION	
	REMARKS: BR92494. BR81033					
BCP34	2016/05/19	STANDARD CONDO PLN				C
BR107259	2016/05/19	CONDO DECLARATION		1867431 ONTARIO LTD.		C
BR107955	2016/06/08	CONDO BYLAW/98		BRUCE STANDARD CONDOMINIUM CORPORATION NO. 34		C
	REMARKS: BY-LAW NUMBER ONE					
BR107956	2016/06/08	CONDO BYLAW/98		BRUCE STANDARD CONDOMINIUM CORPORATION NO. 34		C
	REMARKS: BY-LAW NO. 2					
BR108936	2016/07/05	TRANSFER	$462,938	1867431 ONTARIO LTD.	HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	C
BR108937	2016/07/05	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	THE TORONTO-DOMINION BANK	
BR111850	2016/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROMSPEN INVESTMENT CORPORATION		
	REMARKS: BR81033.					
BR111851	2016/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA		
	REMARKS: BR100142.					
BR123112	2017/08/31	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	HARBOUREDGE MORTGAGE INVESTMENT CORPORATION	
BR123114	2017/08/31	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	HARBOUREDGE MORTGAGE INVESTMENT CORPORATION	
	REMARKS: BR123112. COMPLETELY DELETED BY KELLY COCHRANE-NOTT 2021 05 11					
BR128331	2018/01/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** HARBOUREDGE MORTGAGE INVESTMENT CORPORATION		
	REMARKS: BR123112.					

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BR147601	2019/09/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: BR108937.					
BR148054	2019/09/26	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	CANADIAN IMPERIAL BANK OF COMMERCE	
BR150928	2019/12/09	NO CHNG ADDR CONDO		BRUCE STANDARD CONDOMINIUM CORPORATION NO. 34		C
BR168540	2021/05/05	CHARGE		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	CMI BALANCED MORTGAGE FUND CORP.	
BR168541	2021/05/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	CMI BALANCED MORTGAGE FUND CORP.	
	REMARKS: BR168540					
BR182556	2022/05/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** CMI BALANCED MORTGAGE FUND CORP.		
	REMARKS: BR168540.					
BR183297	2022/05/25	CHARGE	$929,000	HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	CANADIAN IMPERIAL BANK OF COMMERCE	C
BR183298	2022/05/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
	REMARKS: BR148054.					
BR194349	2023/05/18	CHARGE	$300,000	HILL, ANDREW TERENCE HILL, KIMBERLEY GAIL	MORRISON FINANCIAL MORTGAGE CORPORATION	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

This is **Exhibit "37"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT OF RECIEPT OF STANDARD CHARGE TERMS

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL (the **"Borrowers"**)- collaterally secured by first priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT), a second priority Charge/Mortgage – 1632 Concession 12, Kincardine, Ontario (PIN33277-0054 LT) and a second priority Charge/Mortgage Unit 202, 137 Elgin Street, Port Elgin (PIN 33854-0002 LT) (the **"Properties"**)

The undersigned Chargors and Guarantor each acknowledges receipt of a copy of the Standard Charge Terms filed as Number 200033 prior to signing the Charge/Mortgages of Land in connection with the second priority Charges registered against the properties municipally known as 1632 – Concession 12, Kincardine and Unit 202 – 137 Elgin Street, Port Elgin with respect to the above referenced transaction.

DATED at Port Elgin, Ontario this 4th day May, 2023

WITNESS:

DocuSigned by:
As to the signature of

DocuSigned by:
Andrew Terence Hill

DocuSigned by:
As to the signature of

DocuSigned by:
Kimberley Gail Hill

DocuSigned by:
As to the signature of

DocuSigned by:
Kimberley Gail Hill - Guarantor

DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

Land Registration Reform Act

DYE & DURHAM CO. INC.
Form No. 3000E

SET OF STANDARD CHARGE TERMS
(Electronic Filing)

Filed by
Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the " Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

Exclusion of Statutory Covenants

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

Right to Charge the Land

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

No Act to Encumber

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

Good Title In Fee Simple

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

Interest After Default

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

No Obligation to Advance

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Costs Added to Principal

8. The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

Power of Sale

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

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one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

Quiet Possession

10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.

Right to Distrain

11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Further Assurances

12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.

Acceleration of Principal and Interest

13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

Unapproved Sale

14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.

Partial Releases

15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.

Obligation to Insure

16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

Obligation to Repair

17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

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before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

Building Charge

18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.

Extensions not to Prejudice

19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

No Merger of Covenants

20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

Change in Status

21. Immediately after any change or happening affecting any of the following, namely: *(a)* the spousal status of the Chargor, *(b)* the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act*, and *(c)* the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act*. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of *(a)*, *(b)* and *(c)* above as the Chargee may from time to time request.

Condominium Provisions

22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.

Discharge

23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.

Guarantee

24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:

(a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.

(b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

(c) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect

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the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

(d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

(e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability

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

Interpretation

26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings

27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge

28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge

29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this 4th day of April , 2023
(year)

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This is **Exhibit "38"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

ACKNOWLEDGEMENT OF RECEIPT OF A REGISTERED COPY OF FINANCING STATEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

FROM: 1817955 ONTARIO LTD., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by first priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT), a second priority Charge/Mortgage – 1632 Concession 12, Kincardine, Ontario (PIN33277-0054 LT) and Unit 202, 137 Elgin Street, Port Elgin (PIN 33854-0002 LT) (the **"Properties"**) as guaranteed by Andrew Terence Hill and Kimberley Gail Hill (the **"Guarantors"**)

THE UNDERSIGNED HEREBY ACKNOWLEDGES receipt of copy(ies) of the financing statement(s) registered in favour of Morrison Financial Mortgage Corporation as attached.

DATED at Port Elgin this 4th day of May, 2023.

1817955 ONTARIO INC.
Per: DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill, President
I have authority to bind the Corporation

DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill, personally

DocuSigned by:
Kimberley Gail Hill
190864164D3C4F2...
Kimberley Gail Hill, personally

DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Order Number:	24988126
Client Reference:	S30926
Registration Type:	Lien
Registration #:	20230421 1032 1901 0075
ON File #:	792571005
Registration Date:	21 Apr 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$9,541,546.25
Expiry Date:	**2025-04-21**
Maturity Date:	
Requester:	Frederick Shaw

Debtors:

ANDREW T
HILL
(1963-10-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5 CA

KIMBERLEY G
HILL
(1965-03-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5 CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS
TORONTO, ON, M3C0H5

General Collateral

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Classifications: ☐ Consumer Goods ☐ Inventory ☐ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

ASSIGNMENT OF DEBTS OWING TO EITHER OF THE DEBTORS BY 1817955 ONTARIO LTD.

Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

---------- END OF REPORT ----------

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DocuSign Envelope ID: 590B6362-C193-4911-B0BA-3656FE0178FC

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Order Number:	24987934
Client Reference:	s30926
Registration Type:	Lien
Registration #:	20230421 1022 1901 0073
ON File #:	792570753
Registration Date:	21 Apr 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$9,541,546.25
Expiry Date:	**2025-04-21**
Maturity Date:	No fixed Maturity Date
Requester:	Frederick Shaw

Debtors:

1817955
ONTARIO LTD.
RR 1
PORT ELGIN,
ON, N0H2C5 CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS
TORONTO, ON, M3C0H5

General Collateral

Collateral Classifications: ☐ Consumer Goods ☑ Inventory ☑ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

(1) GENERAL SECURITY AGREEMENT RELATING TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR USED IN CONNECTION WITH OR ARISING FROM THE PROPERTY MUNICIPALLY KNOWN AS 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (2) ASSIGNMENT OF INSURANCE PROCEEDS ARISING FROM 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (3) ASSIGNMENT OF RENTS AND LEASES RESPECTING 1020 GODERICH STREET, PORT ELGIN, ONTARIO

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Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

---------- END OF REPORT ----------

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This is **Exhibit "39"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

GUARANTEE AND POSTPONEMENT OF CLAIMS

AGREEMENT made as of the 4th day of May, 2023 by KIMBERLEY GAIL HILL (the "Guarantor") to and in favour of MORRISON FINANCIAL MORTGAGE CORPORATION, Suite 202, 8 Sampson Mews, Toronto, Ontario M3C 0H5 (the "Creditor").

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IN CONSIDERATION of the sum of $10; hereby and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Guarantor agrees with the Creditor as follows:

1. Guaranteed Obligations

The Guarantor irrevocably and unconditionally guarantees the due and punctual payment and performance of all present and future debts, liabilities and obligations together with interest thereon of 1817955 ONTARIO LTD. (the "Debtor") to the Creditor whenever, however or wherever incurred and any ultimate unpaid balance thereof (collectively, the "Guaranteed Obligations").

2. Costs and expenses

The Guarantor agrees to pay the Creditor, upon demand, all out-of-pocket costs and expenses (including, without limitation, legal fees on a solicitor and client basis) incurred by or on behalf of the Creditor in connection with enforcing any of its rights against the Debtor in respect of the Guaranteed Obligations or against the Guarantor.

3. Right to immediate payment

The Creditor shall not be bound to seek or exhaust its recourse against the Debtor or any other persons or to realize on any securities it may hold in respect of the Guaranteed Obligations before being entitled to payment from the Guarantor under this Guarantee and the Guarantor renounces all benefits of discussion and division, and waives any right to require the Creditor to proceed against the Debtor..

4. Payment on demand

The liability of the Guarantor shall be payable immediately upon written demand and such demand shall be conclusively deemed to have been effectually made and given when an envelope containing such demand, addressed to the Guarantor, is delivered to the attention of the Guarantor at the address of the Guarantor set forth in this Guarantee or at such other address as the Guarantor may from time to time designate to the Creditor in writing. The liability of the Guarantor shall bear interest from the date of such demand and both before and after judgment at the rate equal to the greater of 10.0% per annum, calculated daily and compounded monthly and the Bank of Nova Scotia posted prime rate of interest ("Prime Rate") as adjusted from time to time plus 7.55% per annum, calculated daily and compounded and due monthly.

5. Statement of accounts

Any account settled or stated by or between the Creditor and the Debtor, or if any such account has not been so stated or settled prior to any demand for payment, any account stated by the Creditor shall, in the absence of manifest error, be accepted by the Guarantor as conclusive evidence that the amount of the Guaranteed Obligations so settled or stated is due and payable by the Debtor to the Creditor or remains unpaid by the Debtor to the Creditor.

6. Liability absolute

The liability of the Guarantor shall be absolute and unconditional irrespective of:

(a) the invalidity, unenforceability or illegality, in whole or in part, of any agreements, instruments or other documents held by the Creditor to create, represent or evidence any Guaranteed Obligations;
(b) any defence, counterclaim or right of set-off available to the Debtor;
(c) any change in the name, objects, capital, constating documents or by-laws of the Debtor or the Guarantor;

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(d) the sale of the business of the Debtor, or any amalgamation, merger or re-organization of the Debtor or, if a partnership, in the firm, including, without limitation, by reason of the death, retirement or admission for membership of any partners (in which case this agreement shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom); or

(e) any other circumstances which might otherwise constitute, in whole or in part, a defence available to, or a discharge of, the Guarantor, the Debtor or any other persons, firms or corporations in respect of the Guaranteed Obligations or the liability of the Guarantor.

7. Dealings by Creditor

The Creditor may, without giving notice to or obtaining the consent of the Guarantor, grant time, renewals, extensions and other indulgences, take and give up securities (which word as used herein includes other guarantees), accept compositions, grant releases and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with the Debtor and others (including, without limitation, any other guarantors) and securities, hold any moneys received from the Debtor and others or from any securities unappropriated, apply such moneys against such part of the Guaranteed Obligations and change any such application in whole or in part from time to time, all as the Creditor may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor and no loss of or in respect of any securities received by the Creditor from the Debtor or any other persons, whether occasioned through the fault of the Creditor or otherwise, shall in any way discharge or diminish the liability of the Guarantor, under this Guarantee.

8. Liability as principal debtor

All debts, liabilities and obligations purporting to be incurred by the Debtor and owing to the Creditor shall form part of the Guaranteed Obligations despite any incapacity, disability, or lack or limitation of status or power of the Debtor or any of its directors, officers or agents or that the Debtor may not be a legal entity or any irregularity or defect or informality in the incurring of such debts, liabilities or obligations and any such debts, liabilities and obligations which may not be recoverable from the Guarantor as guarantor shall be recoverable from the Guarantor as principal debtor upon demand and with interest, calculated and payable as provided in this Guarantee.

9. Continuing nature and reinstatement

This Guarantee is a continuing guarantee and shall apply to and secure payment of all Guaranteed Obligations and any ultimate unpaid balance thereof and it shall remain in full force and effect notwithstanding the release or discharge of the Debtor for any reason whatsoever, other than payment in full or the performance of the Guaranteed Obligations. This Guarantee shall be reinstated if at any time any payment of any Guaranteed Obligations is rescinded or must otherwise be returned by the Creditor upon the insolvency, bankruptcy or reorganization of the Debtor or for any other reason whatsoever, all as though such payment had not been made.

10. Liquidation, bankruptcy, etc.

In the event of any liquidation, winding up, insolvency or bankruptcy of the Debtor (whether voluntary or compulsory) or in the event that the Debtor shall make a bulk sale of any of its assets within the bulk transfer provisions of any applicable legislation or any composition with creditors or scheme of arrangement, the Creditor shall have the right to rank in priority to the Guarantor for its claim in respect of the Guaranteed Obligations and to receive all dividends or other payments in respect thereof until its claim has been paid in full, all without prejudice to its claim against the Guarantor who shall continue to be liable for any remaining unpaid balance of the Guaranteed Obligations. In the event of any valuation or retention by the Creditor of any securities, such valuation or retention shall not, as between the Creditor and the Guarantor, be considered payment, satisfaction or reduction of any Guaranteed Obligations.

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11. Waiver of subrogation rights

In the event that the Creditor receives any payments on account of the liability of the Guarantor, the Guarantor shall not have, and waives to the extent required, all rights to claim repayment from or against the Debtor and any other guarantors and all rights to be subrogated to any rights of the Creditor, until the Guaranteed Obligations have been paid in full.

12. Termination of further liability

Subject to the terms and conditions contained in this Section 12, the Guarantor may by written notice to the Creditor, delivered to the attention of Graham Banks at the address of the Creditor set forth in this Guarantee or at such other address as the Creditor may from time to time designate to the Guarantor in writing, terminate any further liability in respect of Guaranteed Obligations incurred by the Debtor more than 30 days (the "Notice Period") after receipt of such notice. The Guarantor shall remain liable for all Guaranteed Obligations incurred prior to, but maturing after, the expiration of the Notice Period and for all Guaranteed Obligations incurred after the expiration of the Notice Period pursuant to any prior commitments (express or implied) of the Creditor. This Guarantee shall not terminate upon the death or incapacity of the Guarantor or upon receipt by the Creditor of any notice in respect thereof and the heirs, legal representatives, successors and assigns of the Guarantor shall continue to be liable, unless and to the extent that any further liability is terminated as provided in this Guarantee.

13. Postponement and assignment of claims

All present and future debts, liabilities and obligations of the Debtor to the Guarantor (collectively the "Assigned Obligations") are postponed to the payment of the Guaranteed Obligations and are assigned by the Guarantor to the Creditor as continuing security for the payment of the liability of the Guarantor. Any moneys or other property received by the Guarantor in respect of any Assigned Obligations shall be received in trust for, and immediately upon receipt paid over to, the Creditor with all necessary endorsements and assignments and pending such payment shall be held separate and apart from all other property held by the Guarantor. Any moneys received by the Creditor pursuant to this section 13, including moneys derived from instruments and any other property, may be applied against any Guaranteed Obligations or held by the Creditor as continuing security for the liability of the Guarantor or released to the Guarantor, all as the Creditor may see fit and without prejudicing or in any way discharging or diminishing the liability of the Guarantor. In the event that the further liability of the Guarantor is terminated, the provisions of this Guarantee relating to the postponement and assignment of the Assigned Obligations shall continue in full force and effect until the Guaranteed Obligations have been paid in full and the Creditor is under no obligation to make any further advances or extend any other financial accommodation to or for the benefit of the Debtor. Despite the foregoing, the Guarantor shall be entitled to receive and deal with any payments on account of any Assigned Obligations in the form of [salaries and any other permitted payments] made by the Debtor in the ordinary course of business prior to a default in the payment of any Guaranteed Obligations. The assignment and postponement of claims herein contained is independent of this Guarantee and shall remain in full force and effect notwithstanding that the liability of the Guarantor under this Guarantee may be extinct.

14. No rights of set-off

All amounts payable by the Guarantor shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which case the Guarantor shall pay to the Creditor such additional amount as shall be necessary to ensure that the Creditor receives the full amount it would have received if no such deduction or withholding had been made.

15. Entire agreement

There are no representations, conditions, promises, agreements or understandings with respect to this Guarantee or affecting the liability of the Guarantor other than as set forth or referred to in this Guarantee. Possession of this Guarantee by the Creditor shall

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be conclusive evidence against the Guarantor that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with and this Guarantee shall be operative and binding notwithstanding the non-execution thereof by any proposed signatory.

16. Additional security

This Guarantee is in addition and without prejudice to any obligation or security of any kind by whomever given (including, without limitation, any guarantees, whether or not in the same form as this Guarantee) now or hereafter held by the Creditor.

17. Further assurances

The Guarantor shall from time to time upon the request of the Creditor, execute and deliver, under seal or otherwise, all such further agreements, instruments and documents and do all such further acts and things as the Creditor may require to give effect to the transactions contemplated by this Guarantee.

18. Successors, assigns and governing law

This agreement shall enure to the benefit of and be binding upon the respective heirs, legal representatives, successors and assigns of the Guarantor and the Creditor and shall be governed by and construed in accordance with the laws of the Province of Ontario. The Guarantor irrevocably submits to the jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Guarantee but nothing shall prevent the Creditor from enforcing this Guarantee or any related judgment against the Guarantor in any other jurisdiction. This Guarantee shall not be assigned by the Guarantor without the prior written consent of the Creditor.

19. Electronic Execution

This agreement may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

20. Acknowledgment of receipt

The Guarantor acknowledges receipt of a copy of this Guarantee.

SIGNED, SEALED AND DELIVERED at Port Elgin, Ontario this 4th day of May, 2023.

WITNESS:

DocuSigned by:

As to the signature of

DocuSigned by:
Kimberley Gail Hill

Kimberley Gail Hill

This is **Exhibit "40"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

CERTIFICATE OF INDEPENDENT LEGAL ADVICE

TO: Morrison Financial Mortgage Corporation

RE: 1817955 Ontario Ltd.
1020 Goderich Street, Port Elgin, Ontario.
Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin Ontario

---

I, Judy Maria Rich, Solicitor, hereby certify that I met in consultation with Kimberley Gail Hill prior to the execution of documentation relating to the First Mortgage Loan of the property municipally known as 1020 Goderich Street, Port Elgin, Ontario.

I have advised Kimberley Gail Hill fully as to the effect of any complications or actions that may arise from the mortgage of the property, being that Kimberley Gail Hill shall be added as a co-borrower to the Loan in favour of Morrison Financial Mortgage Corporation in support of the security provided against the matrimonial home of Kimberly Gail Hill and Andrew Hill municipally known as 1632 12th Concession, Kincardine, Ontario and Unit 202-137 Elgin Street, Port Elgin Ontario and I hereby fully declare that I have given advice to Kimberley Gail Hill as solicitor for her and in her interest only, and without regard to or consideration for the interest of 1817955 Ontario Ltd., and that I have never given advice to 1817955 Ontario Ltd. or Andrew Hill in connection with this matter.

DATED AT Southampton, Ontario, this 1st day of May, 2023

Judy Maria Rich

ACKNOWLEDGEMENT BY CLIENT

I hereby acknowledge and declare that all statements made in the foregoing are true and correct, that neither 1817955 Ontario Ltd. or Andrew Hill nor Judy Maria Rich nor any of its officers, employees or agents have used any compulsion or made any threat or exercised any undo influence to induce me to take the action mentioned in the Certificate of Independent Legal Advice, and that Judy Maria Rich, the writer of the said Certificate in advising us as stated therein was consulted by me as my personal solicitor and in my interest only.

DATED AT Southampton, Ontario, this 1st day of May, 2023

Kimberley Gail Hill

This is **Exhibit "41"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Morrison
Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

June 26, 2023

1817955 Ontario Ltd.
Andrew Hill, Hill Build

Dear Andrew:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment") and as amended by letter agreement dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, and March 31, 2023 (the "Commitment Amendments"), which forms the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Borrower has requested, and the Lender agrees that the following provision of the Loan will be amended as follows:

1. **Change in Business Plan**:

   The Borrower has changed their Business Plan with the intention to alter and/or upgrade parts of the building to prepare it for use in support of a shared use office space business which shall be referred to herein as the 'Shared Office Space Business'. It is the Borrower's intention that this shared office space shall be sold to a separate legal entity owned by the Borrower. Although conceptual level discussions have taken place between the Lender and the Borrower about this evolving plan, a formal change request has been neither received nor approved by the Lender. The Borrower and Lender have agreed to work together to contemplate this change in the Business Plan and resultant expected changes to the Loan requirement.

   As a result of this change in Business Plan, delays, and complications resulting from the COVID-19 pandemic, the Borrower has informed the Lender of a budget increase representing a cost overrun in the amount of approximately $1,470,000 from that outlined in the Business Plan as summarized in the Commitment. Such cost overruns are to be funded by the Borrower as and when acknowledged.

   Notwithstanding this change in Business Plan that has been neither presented nor approved, the Lender agrees to an increase in the Loan Amount of $190,454 to cover the current component of the cost overrun. This amount shall be included in the current Advance #9, subject to agreement from the Borrower that within 20 days following the date of this Advance #9 it shall submit a proposed revised Business Plan to the Lender, for its review and consideration, including:

a) A revised Project budget as completed by the Cost Consultant, which includes all costs in place and costs to complete the Project, including the $1,470,000 represented as the cost overrun.

b) With the understanding that the Borrower intends to sell parts of the office space to a related party to operate the Shared Office Space Business, the Borrower will prepare and submit a plan for this proposed operating business to include, among other things, the following:

I. An opening balance sheet including a proposed capital structure (specify debt, equity) sufficient to purchase property, fixtures, furniture, fixtures and equipment (FFE) and to accommodate working capital necessary for business start-up.
II. A proforma income statement and cash flows by month from start-up to profitability.
III. A narrative to include a business rationale, marketing plan and staffing plan.

The Borrower shall forward a draft copy of the Shared Office Space Business plan within five days following the acceptance of this letter.

2. **Loan Amount:**

The Loan Amount shall be increased from $8,575,467 to $8,765,921, with such an increase being applicable to Facility 3 under the Loan and increasing Facility 3 from $768,194 to $958,648. Such cost overrun shall be funded first, under the subsequent advance of the Loan and shall bear interest from that date.

3. **Commitment Fee:**

The Loan will be subject to an additional $3,734.40 Commitment Fee, which will be due and payable upon acceptance of this letter. This fee is associated with the increased Loan Amount on account of the cost overrun under consideration and shall be funded under Facility 3 of the Loan.

All other terms and conditions of the Commitment and Commitment Amendments hereto shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

Graham Banks, CFA
Senior Vice President

Per:

Alenna Erner, CPA, CA
Chief Financial Officer

E. & O.E.

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of PORT ELGIN this JULY 3 /2023.

1817955 Ontario Ltd.
Per:

Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

Kimberley Gail Hill
Per: Kim Hill

In her personal capacity.

AS COVENANTOR

Andrew Hill
Per:

In his personal capacity.

This is Page 3 of an amendment dated June 26, 2023, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreement dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, and March 31, 2023, which forms the basis of an on-going financing.

This is **Exhibit "42"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Morrison
Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

August 11, 2023

1817955 Ontario Ltd.
Andrew Hill, Hill Build

Dear Andrew:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment") and amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, and June 26, 2023 (the "Commitment Amendments"), which collectively form the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

Update to Change in Business Plan

On June 26, 2023, the Lender provided an amendment which contemplated a change to the Borrower Business Plan with the Borrower's stated intention being to alter and/or upgrade parts of the building to prepare it for use in support of a shared use office space business. As a result of the change in Business Plan and delays due to the COVID-19 pandemic, the Project budget increased. The Borrower submitted an updated Project budget on August 2, 2023, as set out in the amendment dated June 26, 2023. The Borrower continues to develop its strategy and provides Business Plan updates to the Lender on an ongoing basis. The Business Plan as it currently stands and resulting cost overruns are events of default under the Loan. On a without prejudice basis with respect to its rights to enforce, the Lender is prepared to forebear.

In consideration of the updated Project budget, the Borrower has requested, and the Lender agrees that the following provisions of the Loan will be amended:

1. **Loan Amount:** On August 1, 2023, the balances outstanding under the current Facilities 1, 2, 3, and 4 of the Loan shall all be consolidated into Facility 1, its balance shall equal $4,608,831.10, and Facilities 2, 3, and 4 shall be extinguished. To accommodate the increased budget, the total Loan Amount maximum shall be increased from $8,765,921 to $10,187,447, as laid out in the Sources and Uses of Funds below.

[CONTINUES ON FOLLOWING PAGE]

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2. **Sources and Uses of Funds:**

Sources of Funds			**Uses of Funds**	
Equity	$1,793,572		Land Cost	$550,000
Purchaser Deposits	$950,066		Site Servicing Cost	$417,798
Deferred Costs	$315,540		Soft Cost	$1,264,988
Facility 1 Loan[1]	$10,187,447		Hard Cost	$8,907,080
			Finance Cost	$1,441,219
			Sales Commissions	$315,540
			Contingency	$350,000
Total Sources	**$13,246,625**		**Total Uses**	**$13,246,625**

3. **Interest Rate:** Commencing August 1, 2023, the Interest Rate applicable to Facility 1 shall be floating at the greater of 14.00% per annum and the Royal Bank of Canada Prime Rate of Interest (the "Prime Rate") as set by Royal Bank of Canada from time to time, plus 6.80% per annum, interest only, calculated daily and compounded and due monthly.

4. **Interest Reserve:** Interest costs accrued under the Loan to August 1, 2023, are $546,034.76. The interest reserve remaining to the end of Term, December 1, 2023, is $368,022.

5. **Commitment Fee:** In consideration of the increase to the Loan Amount, a further Commitment Fee equal to $6,302.10 is due and payable August 1, 2023. It shall be advanced under Facility 1.

6. **Partial Discharges:** Partial Discharges of security will be provided in accordance with the Business Plan and Net closing proceeds shall be used first to repay Facility 1, and once it is repaid in full, to secure with cash any outstanding letters of credit, if applicable.

7. **Security:** The current first freehold mortgage and charge registered against 1020 Goderich Street, Port Elgin ON, is $9,541,546.25. Upon acceptance of this amendment letter, the Lender shall engage counsel to increase the security registration from $9,541,546.25 to $12,000,000. All costs required to complete such amendment will be to the account of the Borrower.

All other terms and conditions of the Commitment and Commitment Amendments hereto shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

[CONTINUES ON FOLLOWING PAGE]

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

Graham Banks, CFA
Senior Vice President

Per:

David Morrison, B.A., J.D.
President

E. & O.E.

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin, this Aug 11 2023.

1817955 Ontario Ltd.
Per:

Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

Kimberley Gail Hill
Per:

In her personal capacity.

AS COVENANTOR

Andrew Hill
Per:

In his personal capacity.

This is Page 3 of an amendment dated August 11, 2023, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, and June 26, 2023, which collectively form the basis of an on-going financing.

This is **Exhibit "43"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

ASSIGNMENT OF INSURANCE

TO: MORRISON FINANCIAL MORTGAGE CORPORATION (the "Lender")

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO LTD. (the "Borrower")

RE: 1817955 ONTARIO LTD. – First Charge to MORRISON FINANCIAL MORTGAGE CORPORATION
Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035) (the "Property")

WHEREAS the Borrower as of the date of this assignment is or may in the future become indebted to the Lender in the total amount of TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00) (the "Loan") which is secured pursuant to a mortgage (the "Charge") which will be registered against the Property.

AND WHEREAS the Borrower has agreed to assign to the Lender as additional security for the amounts it has borrowed from the Lender on account of the Loan, all present and future policy or policies of insurance now or hereafter insuring the building, improvements, fixtures and other property situate in, on or under or arising out of or from their interest in the Property including, without limitation, policies of insurance for property damage, loss of rental income and business interruptions, professional liability, general liability, fire and extended peril and boiler and machinery (hereinafter collectively call the "Policies").

NOW THEREFORE in consideration of the Lender making the initial advance under the Loan and the sum of $2.00 paid by the Lender to the undersigned (the receipt and sufficiency of which are acknowledged by the undersigned), the undersigned acknowledge and agree as follows:

1. the Borrower assigns, transfers, and sets over the Policies to the Lender and grants a security interest in the Policies to the Lender together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or any time derived by the Polices or any part or parts thereof (such Policies and all right, title and interest thereto and all proceeds and other amounts in respect thereof or derived therefrom being hereinafter referred to as the "Collateral");

2. the Collateral shall be held by the Lender as a general and continuing security for the payment of the Loan including, without limitation, all present or future, direct or indirect, absolute or contingent, matured or unmatured obligations or other indebtedness of liabilities of the Borrower to the Lender;

3. the issuers from time to time of the Policies are irrevocably authorized and directed to pay to the Lender or as the Lender may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies. Any such proceeds received by the Lender may be appropriated by the Lender from time to time on account of such part or parts of the indebtedness and liabilities owing by the Borrower to the Lender as the Lender may determine to be most advantageous to it. The Lender is expressly authorized to collect, demand, sue for, enforce, recover and receive the proceeds of the Policies and to give valid and binding receipts and discharges therefore, as if the Lender were the absolute owner thereof and without regard to the state of the accounts between the Borrower and the Lender;

4. any proceeds or other amounts collected or received by the Borrower in respect of the Collateral shall be received as trustee for the Lender and shall forthwith be paid to the Lender;

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5. the Lender shall not be bound or accountable for any failure to collect, demand, sue for, enforce, recover, receive, realize, sell or obtain payment of the Collateral or any part thereof and the Lender shall not be bound to institute proceedings for any such purpose or for the purpose of preserving any rights of the Lender, the Borrower or any other person in respect thereof and the Lender shall not be responsible for any loss or damage which may occur in consequence of the negligence of any officer, agent or solicitor employed in collection or realization thereof;

6. the Lender may charge on its own behalf and also pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal advice and services) in connection with its doing anything authorized by this assignment or by law;

7. the Borrower shall from time to time forthwith on the Lender's request to do so, make and execute all such assignments, documents, acts, matters and things as be required by the Lender of or with respect to the Collateral or any part thereof or as may be required to give effect to these presents;

8. this assignment shall be a continuing agreement in every respect and shall be binding upon the successors and assigns of the Borrower and shall enure to the benefit of the Lender and its successors and assigns; and

9. the Borrower shall pay all premiums and renewal premiums and other charges necessary to keep each of the Policies in full force and effect and the Borrower shall provide evidence of such payment(s) forthwith upon request by the Lender. The Lender may (but is not required to) at any time and from time to time pay any such premiums or other charges necessary to keep any one of the Policies in force and may add the amounts so paid to the indebtedness owing by the Borrower to the Lender. The Borrower shall indemnify and save the Lender harmless from and against any amounts so paid.

10. this assignment may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

IN WITNESS WHEREOF, the Borrower has executed this assignment at Port Elgin, Ontario, this 22 day of September, 2023.

1817955 ONTARIO LTD.
Per:

DocuSigned by:
E86C0E13121C42D...

Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "44"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

DEFICIENCY AND COST OVERRUN AGREEMENT

To: Morrison Financial Mortgage Corporation		
Name of borrower (the **"Borrower"**) 1817955 ONTARIO LTD.	Aggregate Amount of loan $12,000,000.00	Date of commitment letter (the "**Commitment letter**") October 26th, 2021, as amended

In consideration and as a condition of **Morrison Financial Mortgage Corporation** (the **"Lender"**) agreeing to make available to the Borrower the loan (the **"Loan"**) in the aggregate amount set out above pursuant to the terms of the Commitment Letter, as may be amended or replaced from time to time, from the Lender to the Borrower, and in consideration of $1.00 and other good and valuable consideration now paid by the Lender to the undersigned (receipt of which is hereby acknowledged), the undersigned hereby jointly and severally irrevocably agree with the Lender as follows:

1. If a budget shortfall amount (as described below) has arisen and has continued for 10 days or more, the undersigned shall, on demand by the Lender, forthwith pay to the Lender such monies as are required to satisfy the budget shortfall amount, being the amount, if any, by which the aggregate cost, as determined by the Lender, to complete construction of the project at 1020 Goderich Street, Port Elgin, Ontario (the "project"), as contemplated in the Commitment and as set out in the budget provided to the Lender for the same, or as otherwise represented to the Lender, including the interest estimated to accrue due on the said project, exceeds the unadvanced portion of the Loan (or if the Loan comprises more than one loan, exceeds the unadvanced portion of the construction loan included in the Loan). The monies so paid to the Lender shall be held by the Lender as cash collateral to secure the obligation of the Borrower to the Lender until released by the Lender in its discretion for injection by the Borrower into the said project to satisfy the budget shortfall.

2. The obligation of the undersigned under paragraph 1 shall be a continuing obligation in favour of the Lender which shall not be terminated by reason of a demand being made on the undersigned by the Lender hereunder, and the Lender shall be entitled to demand and redemand payment by the undersigned under paragraph 1 from time to time and at any time.

3. Nothing herein contained shall prejudice or limit the right of the Lender to make demand for repayment by the Borrower of the Loan as provided in the Commitment Letter.

4. This Agreement shall be in addition to and not in substitution for any of the security documents provided to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security now held or hereinafter acquired by the Lender, and the Lender may do all or any of the following:

   a) grant time, renewals, extensions, indulgences, releases and discharges to;
   b) take securities from;
   c) abstain from taking additional security from;
   d) abstain from perfecting securities of;
   e) accept compositions from; and
   f) otherwise deal with

   the undersigned, the Borrower and all other persons and securities, including the Security Documents as the Lender may see fit without prejudice to the rights of the Lender under this Agreement or any other securities, including the Security Documents.

5. The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any form held or which may be held hereafter by the Lender from the undersigned or the Borrower or from any other person or persons whomsoever.

6. If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability

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of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7. This Agreement shall enure to the benefit of the Lender and be binding on the undersigned and his heirs, executors, administrators, successors, and assigns. In the event that this Agreement is executed by more than one party, the obligations hereunder of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this Agreement shall in no way limit or prejudice the liability of the undersigned to the Lender.

8. Whenever the singular or the body politic or corporate is used herein the same shall be deemed to include the plural on the masculine or the feminine where the context or the parties so require.

9. Any notice or demand referred to herein may be delivered, transmitted by facsimile machine ("**fax**"), or may be mailed by prepaid ordinary mail to the undersigned at the number or address set out below, or such number or address of which such party shall advise the Lender in writing from time to time, and the undersigned shall be deemed to have received such notice or demand on the date of delivery, if delivered, on the day following transmission, if transmitted by fax, or three (3) days after mailing, if mailed.

10. All reasonable legal costs incurred by the Lender in the enforcement of this Agreement shall be for the account of the undersigned.

11. This Agreement shall in all respects be governed by and be construed in accordance with the laws of the Province of Ontario.

12. This Agreement shall not be amended or varied or deemed to be amended or varied unless amended or varied by written instrument signed by a duly authorized officer of the Lender.

13. It is express wish of the parties that this Agreement and any related documents be drawn up and executed in English. Il est la volonté expresse des Parties que cette convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

IN WITNESS WHEREOF this Agreement has been executed by the undersigned as of the day of September, 2023

1817955 ONTARIO LTD.
Per: DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill, President
I have authority to bind the Corporation

Guarantor:

WITNESS:
DocuSigned by:
1284D2D5F9EA483...
As to the signature of

DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill

As to the signature of

Kimberley Gail Hill

DEFICIENCY AND COST OVERRUN AGREEMENT

To: Morrison Financial Mortgage Corporation		
Name of borrower (the **"Borrower"**) 1817955 ONTARIO LTD.	Aggregate Amount of loan $12,000,000.00	Date of commitment letter (the "**Commitment letter**") October 26th, 2021, as amended

In consideration and as a condition of **Morrison Financial Mortgage Corporation** (the **"Lender"**) agreeing to make available to the Borrower the loan (the **"Loan"**) in the aggregate amount set out above pursuant to the terms of the Commitment Letter, as may be amended or replaced from time to time, from the Lender to the Borrower, and in consideration of $1.00 and other good and valuable consideration now paid by the Lender to the undersigned (receipt of which is hereby acknowledged), the undersigned hereby jointly and severally irrevocably agree with the Lender as follows:

1. If a budget shortfall amount (as described below) has arisen and has continued for 10 days or more, the undersigned shall, on demand by the Lender, forthwith pay to the Lender such monies as are required to satisfy the budget shortfall amount, being the amount, if any, by which the aggregate cost, as determined by the Lender, to complete construction of the project at 1020 Goderich Street, Port Elgin, Ontario (the "project"), as contemplated in the Commitment and as set out in the budget provided to the Lender for the same, or as otherwise represented to the Lender, including the interest estimated to accrue due on the said project, exceeds the unadvanced portion of the Loan (or if the Loan comprises more than one loan, exceeds the unadvanced portion of the construction loan included in the Loan). The monies so paid to the Lender shall be held by the Lender as cash collateral to secure the obligation of the Borrower to the Lender until released by the Lender in its discretion for injection by the Borrower into the said project to satisfy the budget shortfall.

2. The obligation of the undersigned under paragraph 1 shall be a continuing obligation in favour of the Lender which shall not be terminated by reason of a demand being made on the undersigned by the Lender hereunder, and the Lender shall be entitled to demand and redemand payment by the undersigned under paragraph 1 from time to time and at any time.

3. Nothing herein contained shall prejudice or limit the right of the Lender to make demand for repayment by the Borrower of the Loan as provided in the Commitment Letter.

4. This Agreement shall be in addition to and not in substitution for any of the security documents provided to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security to the Lender pursuant to the Commitment Letter (the "Security Documents") or other security now held or hereinafter acquired by the Lender, and the Lender may do all or any of the following:

   a) grant time, renewals, extensions, indulgences, releases and discharges to;
   b) take securities from;
   c) abstain from taking additional security from;
   d) abstain from perfecting securities of;
   e) accept compositions from; and
   f) otherwise deal with

   the undersigned, the Borrower and all other persons and securities, including the Security Documents as the Lender may see fit without prejudice to the rights of the Lender under this Agreement or any other securities, including the Security Documents.

5. The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any form held or which may be held hereafter by the Lender from the undersigned or the Borrower or from any other person or persons whomsoever.

6. If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability

of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7. This Agreement shall enure to the benefit of the Lender and be binding on the undersigned and his heirs, executors, administrators, successors, and assigns. In the event that this Agreement is executed by more than one party, the obligations hereunder of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this Agreement shall in no way limit or prejudice the liability of the undersigned to the Lender.

8. Whenever the singular or the body politic or corporate is used herein the same shall be deemed to include the plural on the masculine or the feminine where the context or the parties so require.

9. Any notice or demand referred to herein may be delivered, transmitted by facsimile machine ("**fax**"), or may be mailed by prepaid ordinary mail to the undersigned at the number or address set out below, or such number or address of which such party shall advise the Lender in writing from time to time, and the undersigned shall be deemed to have received such notice or demand on the date of delivery, if delivered, on the day following transmission, if transmitted by fax, or three (3) days after mailing, if mailed.

10. All reasonable legal costs incurred by the Lender in the enforcement of this Agreement shall be for the account of the undersigned.

11. This Agreement shall in all respects be governed by and be construed in accordance with the laws of the Province of Ontario.

12. This Agreement shall not be amended or varied or deemed to be amended or varied unless amended or varied by written instrument signed by a duly authorized officer of the Lender.

13. It is express wish of the parties that this Agreement and any related documents be drawn up and executed in English. Il est la volonté expresse des Parties que cette convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

IN WITNESS WHEREOF this Agreement has been executed by the undersigned as of the 26 day of September, 2023

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

Guarantor:

WITNESS:

_____
As to the signature of

_____
As to the signature of
Judy Maria Rich
LSO # 56432M

_____
Andrew Terence Hill

Kim Hill
_____
Kimberley Gail Hill

This is **Exhibit "45"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

ACKNOWLEDGEMENT OF RECEIPT OF A REGISTERED COPY OF FINANCING STATEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

FROM: 1817955 ONTARIO LTD., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by first priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT), a second priority Charge/Mortgage – 1632 Concession 12, Kincardine, Ontario (PIN33277-0054 LT) and Unit 202, 137 Elgin Street, Port Elgin (PIN 33854-0002 LT) (the "**Properties**") as guaranteed by Andrew Terence Hill and Kimberley Gail Hill (the "**Guarantors**")

THE UNDERSIGNED HEREBY ACKNOWLEDGES receipt of a copies of the Amendments to financing statements registered in favour of Morrison Financial Mortgage Corporation as attached.

DATED at Port Elgin, Ontario, this 22 day of September, 2023.

1817955 ONTARIO LTD.
Per: DocuSigned by:
E86C9E43121C42D...
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

DocuSigned by:
1284B2B5F9EA403...
As to the signature of

DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill, personally as Guarantor

As to the signature of

Kimberley Gail Hill, personally as Guarantor

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Amendment Details:	AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00 INCREASE AMOUNT SECURED FROM $9,541,546.25 TO $12,000,000.00
Order Number:	27491236
Client Reference:	s30926
Registration Type:	Amendment (Lien)
Orig Registration #:	792570753
Registration #:	20230907 1645 5064 8022
ON File #:	792570753
Registration Date:	07 Sep 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$12,000,000.00
Expiry Date:	**2025-04-21**
Maturity Date:	No fixed Maturity Date
Requester:	Frederick Shaw

Debtors:

1817955
ONTARIO LTD.
RR 1
PORT ELGIN,
ON, N0H2C5,
CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS
TORONTO, ON, M3C0H5,
CA

General Collateral

Collateral Classifications: ☐ Consumer Goods ☑ Inventory ☑ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

(1) GENERAL SECURITY AGREEMENT RELATING TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR USED IN CONNECTION WITH OR ARISING FROM THE PROPERTY MUNICIPALLY KNOWN AS 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (2) ASSIGNMENT OF INSURANCE PROCEEDS ARISING FROM 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (3) ASSIGNMENT OF RENTS AND LEASES RESPECTING 1020 GODERICH STREET, PORT ELGIN, ONTARIO

Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

---------- END OF REPORT ----------

DS

DS

2/2

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Amendment Details:	AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00 INCREASE AMOUNT SECURED TO $12,000,000.00
Order Number:	27528036
Client Reference:	S30926
Registration Type:	Amendment (Lien)
Orig Registration #:	792571005
Registration #:	20230911 1118 5064 8092
ON File #:	792571005
Registration Date:	11 Sep 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$12,000,000.00
Expiry Date:	**2025-04-21**
Maturity Date:	
Requester:	Frederick Shaw

Debtors:

ANDREW T HILL
(1963-10-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5,
CA

KIMBERLEY G
HILL
(1965-03-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5,
CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS

TORONTO, ON, M3C0H5,
CA

General Collateral

Collateral Classifications: ☐ Consumer Goods ☐ Inventory ☐ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

ASSIGNMENT OF DEBTS OWING TO EITHER OF THE DEBTORS BY 1817955 ONTARIO LTD.

Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

END OF REPORT

ACKNOWLEDGEMENT OF RECEIPT OF A REGISTERED COPY OF FINANCING STATEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

FROM: 1817955 ONTARIO LTD., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO LTD. (the **"Borrower"**)- collaterally secured by first priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT), a second priority Charge/Mortgage – 1632 Concession 12, Kincardine, Ontario (PIN33277-0054 LT) and Unit 202, 137 Elgin Street, Port Elgin (PIN 33854-0002 LT) (the **"Properties"**) as guaranteed by Andrew Terence Hill and Kimberley Gail Hill (the **"Guarantors"**)

THE UNDERSIGNED HEREBY ACKNOWLEDGES receipt of a copies of the Amendments to financing statements registered in favour of Morrison Financial Mortgage Corporation as attached.

DATED at Port Elgin, Ontario, this 25 day of September, 2023.

1817955 ONTARIO LTD.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

_____
As to the signature of

Judy Maria Rich
LSO # 56432M

_____
Andrew Terence Hill, personally as Guarantor

_____
Kimberley Gail Hill, personally as Guarantor

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Amendment Details:	AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00 INCREASE AMOUNT SECURED FROM $9,541,546.25 TO $12,000,000.00
Order Number:	27491236
Client Reference:	s30926
Registration Type:	Amendment (Lien)
Orig Registration #:	792570753
Registration #:	20230907 1645 5064 8022
ON File #:	792570753
Registration Date:	07 Sep 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$12,000,000.00
Expiry Date:	**2025-04-21**
Maturity Date:	No fixed Maturity Date
Requester:	Frederick Shaw

Debtors:

1817955
ONTARIO LTD.
RR 1
PORT ELGIN,
ON. N0H2C5.
CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS
TORONTO, ON, M3C0H5,
CA

General Collateral

Collateral Classifications: Consumer Goods ☑ Inventory ☑ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

(1) GENERAL SECURITY AGREEMENT RELATING TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR USED IN CONNECTION WITH OR ARISING FROM THE PROPERTY MUNICIPALLY KNOWN AS 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (2) ASSIGNMENT OF INSURANCE PROCEEDS ARISING FROM 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (3) ASSIGNMENT OF RENTS AND LEASES RESPECTING 1020 GODERICH STREET, PORT ELGIN, ONTARIO

Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

---------- END OF REPORT ----------



PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
REPORT ON REGISTRATION
---------- REGISTRATION VERIFICATION ----------

Amendment Details:	AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00 INCREASE AMOUNT SECURED TO $12,000,000.00
Order Number:	27528036
Client Reference:	S30926
Registration Type:	Amendment (Lien)
Orig Registration #:	792571005
Registration #:	20230911 1118 5064 8092
ON File #:	792571005
Registration Date:	11 Sep 2023
Service Province:	ON
Term (years):	2
Amount of Lien:	$12,000,000.00
Expiry Date:	**2025-04-21**
Maturity Date:	
Requester:	Frederick Shaw

Debtors:

ANDREW T HILL
(1963-10-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5,
CA

KIMBERLEY G
HILL
(1965-03-23)
1632
CONCESSION
12
KINCARDINE,
ON, N0H2C5,
CA

Secured Parties:

MORRISON FINANCIAL
MORTGAGE
CORPORATION
SUITE 202 - 8 SAMPSON
MEWS

TORONTO, ON, M3C0H5,
CA

General Collateral

Collateral Classifications: ☐ Consumer Goods ☐ Inventory ☐ Equipment ☑ Accounts ☑ Other ☐ MV Included

Current Collateral:

ASSIGNMENT OF DEBTS OWING TO EITHER OF THE DEBTORS BY 1817955 ONTARIO LTD.

Registering Agent

ESC Corporate Services Ltd.
445 King Street West, Suite 400
Toronto, ON, M5V1K4
adminavs@eservicecorp.ca

---------- END OF REPORT ----------

This is **Exhibit "46"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	Gowling WLG (Canada) LLP - Hamilton - Co
Reference :	BPearson
Docket :	G10024542
Search ID :	1020302
Date Processed :	3/18/2025 1:29:55 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	1817955 Ontario Limited
Search Type :	Business Debtor

DISCLAIMER :
This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

RESPONSE CONTAINS: APPROXIMATELY 3 FAMILIES and 11 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 3 ENQUIRY PAGE : 1 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 663878061 EXPIRY DATE : 23AUG 2025 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20100823 1452 1530 9041 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 1817955 ONTARIO LTD. OPERATING AS ANDREW HILL GENERAL
OCN :
04 ADDRESS : RR 1
CITY : PORT ELGIN PROV: ON POSTAL CODE: N0H 2C5
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK - 34762
09 ADDRESS : 723 GODERICH ST P.O.BOX 430
CITY : PORT ELGIN PROV: ON POSTAL CODE: N0H 2C0

CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MV DATE OF MATURITY	OR NO FIXED MAT DATE
10		X	X	X	X	X		X

YEAR	MAKE	MODEL	V.I.N.
11			

12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : SUITE 200 - 4126 NORLAND AVENUE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 3 ENQUIRY PAGE : 2 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED
FILE NUMBER 663878061
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20140502 1436 1530 5434
21 REFERENCE FILE NUMBER : 663878061
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1817955 ONTARIO LTD. OPERATING AS ANDREW HILL GENERAL
25 OTHER CHANGE:
26 REASON: DELETE DEBTOR - 1817955 ONTARIO LTD. OPERATING AS ANDREW HILL
27 /DESCR: GENERAL
28 : ADD DEBTOR - 1817955 ONTARIO LTD.
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE: 1817955 ONTARIO LTD.
OCN:
04/07 ADDRESS: 1632 CONC 12 RR1
CITY: PORT ELGIN PROV: ON POSTAL CODE: N0H 2C5

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 3 ENQUIRY PAGE : 3 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED
FILE NUMBER 663878061
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20150713 1940 1531 3645
21 REFERENCE FILE NUMBER : 663878061
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1817955 ONTARIO LTD.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 3 ENQUIRY PAGE : 4 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED
FILE NUMBER 663878061
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20200629 1933 1531 2488
21 REFERENCE FILE NUMBER : 663878061
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1817955 ONTARIO LTD.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 3 ENQUIRY PAGE : 5 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 768411333 EXPIRY DATE : 09DEC 2030 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20201209 0904 1590 8718 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: 1817955 ONTARIO LTD.
OCN :
04 ADDRESS : 1020 GODERICH STREET
CITY : PORT ELGIN PROV: ON POSTAL CODE: N0H 2C3
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE GUARANTEE COMPANY OF NORTH AMERICA
09 ADDRESS : 700 UNIVERSITY AVENUE
CITY : TORONTO PROV: ON POSTAL CODE: M5G 0A1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 SECURITY INTEREST IN PURCHASERS' DEPOSIT MONIES PURSUANT TO A DEPOSIT
14 TRUST AGREEMENT DATED NOVEMBER 9, 2020, BETWEEN THE DEBTOR, THE
15 SECURED PARTY AND CHAITONS LLP, THE ESCROW AGENT, RELATING TO A
16 AGENT: CHAITONS LLP (RAM/CW #66884)
17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M2N 7E9

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 3 ENQUIRY PAGE : 6 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 768411333 EXPIRY DATE : 09DEC 2030 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20201209 0904 1590 8718 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 CONDOMINIUM PROJECT LOCATED AT 1020 GODERICH STREET, PORT ELGIN AND
14 LEGALLY DESCRIBED IN PIN 33268-2035 (LT) AND KNOWN AS "POWERLINK
15 RESIDENCES" TOGETHER WITH A GENERAL SECURITY AGREEMENT FROM THE
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 3 ENQUIRY PAGE : 7 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 768411333 EXPIRY DATE : 09DEC 2030 STATUS :
01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20201209 0904 1590 8718 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 DEBTOR IN FAVOUR OF THE SECURED PARTY
14
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 2 OF 3 ENQUIRY PAGE : 8 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED
FILE NUMBER 768411333
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20211125 1148 1590 5976 P PPSA
21 REFERENCE FILE NUMBER : 768411333
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1817955 ONTARIO LTD.

25 OTHER CHANGE:
26 REASON: TO REPLACE THE NAME OF THE SECURED PARTY FROM THE GUARANTEE COMPANY
27 /DESCR: OF NORTH AMERICA AND SUBSTITUTING IN ITS PLACE INTACT INSURANCE
28 : COMPANY.
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : CHAITONS LLP (RAM/CW #66884)
17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 9 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 792570753 EXPIRY DATE : 21APR 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20230421 1022 1901 0073 REG TYP: P PPSA REG PERIOD: 02
02 IND DOB : IND NAME:
03 BUS NAME: 1817955 ONTARIO LTD.
OCN :
04 ADDRESS : RR 1
CITY : PORT ELGIN PROV: ON POSTAL CODE: N0H 2C5
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
MORRISON FINANCIAL MORTGAGE CORPORATION
09 ADDRESS : SUITE 202 - 8 SAMPSON MEWS
CITY : TORONTO PROV: ON POSTAL CODE: M3C 0H5

CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	MV AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10	X	X	X	X		9541546		X

YEAR	MAKE	MODEL	V.I.N.
11			

12
GENERAL COLLATERAL DESCRIPTION
13 (1) GENERAL SECURITY AGREEMENT RELATING TO ALL PRESENT AND AFTER
14 ACQUIRED PERSONAL PROPERTY OF THE DEBTOR USED IN CONNECTION WITH OR
15 ARISING FROM THE PROPERTY MUNICIPALLY KNOWN AS 1020 GODERICH STREET,
16 AGENT: ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 3 OF 3 ENQUIRY PAGE : 10 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED

00 FILE NUMBER : 792570753 EXPIRY DATE : 21APR 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20230421 1022 1901 0073 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 PORT ELGIN, ONTARIO, (2) ASSIGNMENT OF INSURANCE PROCEEDS ARISING
14 FROM 1020 GODERICH STREET, PORT ELGIN, ONTARIO, (3) ASSIGNMENT OF
15 RENTS AND LEASES RESPECTING 1020 GODERICH STREET, PORT ELGIN, ONTARIO
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 1817955 Ontario Limited

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 3 OF 3 ENQUIRY PAGE : 11 OF 11

SEARCH : BD : 1817955 ONTARIO LIMITED
FILE NUMBER 792570753
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20230907 1645 5064 8022
21 REFERENCE FILE NUMBER : 792570753
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 1817955 ONTARIO LTD.

25 OTHER CHANGE:
26 REASON: AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10 12000000
11
12
13
14
15
16 NAME : ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5V 1K4
LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

This is **Exhibit "47"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	Gowling WLG (Canada) LLP - Hamilton - Co
Reference :	BPearson
Docket :	G10024542
Search ID :	1020304
Date Processed :	3/18/2025 1:35:40 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	Andrew T Hill
Search Type :	Individual Specific
Date of Birth :	1963-10-23

DISCLAIMER :
This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Andrew T Hill

FILE CURRENCY: March 17, 2025

RESPONSE CONTAINS: APPROXIMATELY 1 FAMILIES and 2 PAGES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Andrew T Hill

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 2

SEARCH : IS : ANDREW;T;HILL;23OCT1963

00 FILE NUMBER : 792571005 EXPIRY DATE : 21APR 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20230421 1032 1901 0075 REG TYP: P PPSA REG PERIOD: 02
02 IND DOB : 23OCT1963 IND NAME: ANDREW T HILL
03 BUS NAME:
OCN :
04 ADDRESS : 1632 CONCESSION 12
CITY : KINCARDINE PROV: ON POSTAL CODE: N0H 2C5
05 IND DOB : 23MAR1965 IND NAME: KIMBERLEY G HILL
06 BUS NAME:
OCN :
07 ADDRESS : 1632 CONCESSION 12
CITY : KINCARDINE PROV: ON POSTAL CODE: N0H 2C5

08 SECURED PARTY/LIEN CLAIMANT :
MORRISON FINANCIAL MORTGAGE CORPORATION
09 ADDRESS : SUITE 202 - 8 SAMPSON MEWS
CITY : TORONTO PROV: ON POSTAL CODE: M3C 0H5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X 9541546
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 ASSIGNMENT OF DEBTS OWING TO EITHER OF THE DEBTORS BY 1817955 ONTARIO
14 LTD.
15
16 AGENT: ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Andrew T Hill

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 1 ENQUIRY PAGE : 2 OF 2

SEARCH : IS : ANDREW;T;HILL;23OCT1963
FILE NUMBER 792571005
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20230911 1118 5064 8092
21 REFERENCE FILE NUMBER : 792571005
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME: ANDREW T HILL
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON: AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10 12000000
11
12
13
14
15
16 NAME : ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5V 1K4
LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

This is **Exhibit "48"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for :	Gowling WLG (Canada) LLP - Hamilton - Co
Reference :	BPearson
Docket :	G10024542
Search ID :	1020303
Date Processed :	3/18/2025 1:35:35 PM
Report Type :	PPSA Electronic Response
Search Conducted on :	Kimberley G Hill
Search Type :	Individual Specific
Date of Birth :	1965-03-23

DISCLAIMER :
This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Kimberley G Hill

FILE CURRENCY: March 17, 2025

RESPONSE CONTAINS: APPROXIMATELY 2 FAMILIES and 3 PAGES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Kimberley G Hill

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 3

SEARCH : IS : KIMBERLEY;G;HILL;23MAR1965

00 FILE NUMBER : 504624861 EXPIRY DATE : 22APR 2031 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20240422 0835 1902 0388 REG TYP: P PPSA REG PERIOD: 07
02 IND DOB : 29AUG2001 IND NAME: DUNCAN B WYNN
03 BUS NAME:
OCN :
04 ADDRESS : APT2B-352 MAIN STREET NORTH
CITY : MARKHAM PROV: ON POSTAL CODE: L3P 1Z1
05 IND DOB : 23MAR1965 IND NAME: KIMBERLEY G HILL
06 BUS NAME:
OCN :
07 ADDRESS : 1632 12 CONCESSION
CITY : PORT ELGIN PROV: ON POSTAL CODE: N0H 2C5

08 SECURED PARTY/LIEN CLAIMANT :
NISSAN CANADA INC.
09 ADDRESS : 5290 ORBITOR DRIVE
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4W 4Z5

CONS. GOODS	INVTRY.	EQUIP	ACCTS	OTHER	MV INCL	AMOUNT	DATE OF MATURITY	OR NO FIXED MAT DATE
10 X				X	X	37658	07APR2031	

YEAR	MAKE	MODEL	V.I.N.
11 2024	NISSAN	SENTRA	3N1AB8BV7RY215645

12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Kimberley G Hill

FILE CURRENCY: March 17, 2025

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 2 OF 3

SEARCH : IS : KIMBERLEY;G;HILL;23MAR1965

00 FILE NUMBER : 792571005 EXPIRY DATE : 21APR 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20230421 1032 1901 0075 REG TYP: P PPSA REG PERIOD: 02
02 IND DOB : 23OCT1963 IND NAME: ANDREW T HILL
03 BUS NAME:
OCN :
04 ADDRESS : 1632 CONCESSION 12
CITY : KINCARDINE PROV: ON POSTAL CODE: N0H 2C5
05 IND DOB : 23MAR1965 IND NAME: KIMBERLEY G HILL
06 BUS NAME:
OCN :
07 ADDRESS : 1632 CONCESSION 12
CITY : KINCARDINE PROV: ON POSTAL CODE: N0H 2C5

08 SECURED PARTY/LIEN CLAIMANT :
MORRISON FINANCIAL MORTGAGE CORPORATION
09 ADDRESS : SUITE 202 - 8 SAMPSON MEWS
CITY : TORONTO PROV: ON POSTAL CODE: M3C 0H5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X 9541546
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 ASSIGNMENT OF DEBTS OWING TO EITHER OF THE DEBTORS BY 1817955 ONTARIO
14 LTD.
15
16 AGENT: ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: INDIVIDUAL SPECIFIC

CONDUCTED ON: Kimberley G Hill

FILE CURRENCY: March 17, 2025

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 3

SEARCH : IS : KIMBERLEY;G;HILL;23MAR1965
FILE NUMBER 792571005
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20230911 1118 5064 8092
21 REFERENCE FILE NUMBER : 792571005
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME: ANDREW T HILL
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON: AMEND LOAN AMOUNT FROM 9541546.25 TO 12000000.00
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10 12000000
11
12
13
14
15
16 NAME : ESC CORPORATE SERVICES LTD.
17 ADDRESS : 445 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5V 1K4
LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

This is **Exhibit "49"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: 1817955 ONTARIO LTD. – Agreement Amending Charge to MORRISON FINANCIAL MORTGAGE CORPORATION
Part Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Saugeen Shores (PIN 33268-2035) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Notice and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Notice in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 22 day of September, 2023.

1817955 ONTARIO LTD.

DocuSigned by:

Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

DocuSigned by:

as to the signature of

DocuSigned by:

Andrew Terence Hill – Guarantor

as to the signature of

Kimberley Gail Hill – Guarantor

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Consideration

Consideration $0.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name 1817955 ONTARIO LTD.

Acting as a company

Address for Service R.R.#1
Port Elgin, Ontario
N0H 2C5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Acting as a company

Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted

This notice is for an indeterminate period

Schedule: See Schedules

This document relates to registration number(s)BR176854

DS

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

THIS AGREEMENT made as of the 1st day of August, 2023.

B E T W E E N:

1817955 ONTARIO LTD.,
a corporation incorporated pursuant
to the laws of the Province of Ontario

(hereinafter referred to as the "Chargor")

OF THE FIRST PART

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION,
a corporation incorporated pursuant to the law of the
Province of Ontario

(hereinafter referred to as the "Chargee")

OF THE SECOND PART

- and -

ANDREW TERRANCE HILL and KIMBERLEY GAIL HILL, of the Town of Port Elgin, in the Province of Ontario

(hereinafter referred to as the "Guarantors")

OF THE THIRD PART

W H E R E A S:

A. By a Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Bruce (No. 3) on 24th day of November, 2021, Receipted as Number BR176854 (the "Charge") the Chargor did grant and mortgage to the Chargee, the lands and premises in the Town of Port Elgin, Ontario, described as Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Town of Saugeen Shores, Property Identifier Number 33268-2035 LT and known municipally as 1020 Goderich Street, Port Elgin, Ontario (the "Property"), to secure the payment of $9,541,546.25 with interest as therein set out.

B. The amounts due under the Charge are personally guaranteed by the Guarantors.

C. The Chargor and the Chargee have agreed to amend the Charge as hereinafter set out and the Guarantors have consented to and amendments and agreed to the continuation of their personal guarantees.

NOW THEREFORE in consideration of the sum of TWO DOLLARS ($2.00) paid by each party hereto to the other of them (the receipt and sufficiency whereof is hereby acknowledged) and in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. The following Provisions of the Charge are hereby amended from and after August 1st, 2023 as follows:

(a) the Principal sum secured shall be: TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00);
(b) Kimberley Gail Hill shall be added as a Guarantor to the Charge;
(c) the interest rate stipulated in paragraph 16 of the Schedule of Additional Provisions to the Charge shall be removed and replaced with the following: "The interest rate payable on this Charge is a floating rate equal to the greater of 14.0% per annum and the Royal Bank of Canada Prime Rate of Interest (the "Prime Rate") as set by Royal Bank of Canada from time to time, plus 6.80% per annum, interest only, calculated daily and compounded and due monthly.";

DS

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

(d) the Collateral Security to Commitment in paragraph 20 of the Schedule of Additional Provisions to the Charge shall be amended by adding: ", as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023" after "October 26th, 2021" in the third line of the said paragraph.

2. The terms and conditions set out herein shall now form part of the Charge. In the event that any term or condition contained herein conflicts with a term or condition contained in the Charge (in its original form or as previously amended) the term or condition contained herein or in the attached schedule shall prevail. In all other respects the parties hereto confirm the terms and conditions contained in the Charge.

3. Provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person interested in the Property, nor affect the liability of any person not party hereto who may be liable to pay the mortgage money or the rights of any such person all of which rights are hereby reserved.

4. The undersigned Andrew Terrance Hill and Kimberley Gail Hill, Guarantors, acknowledge this amendment of the terms of the Charge and acknowledge, consent to, confirm and agree that their guarantees of the amounts secured by this Charge now includes the amounts referred to herein.

5. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

6. The provisions of this document shall enure to and be binding upon the successors, and assigns of each party and all covenants, liabilities, and obligations shall be joint and several.

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

1817955 ONTARIO LTD.

DocuSigned by:

Per: _____
E86C9E1312TC42D...
Andrew Terence Hill
President, I have authority to bind the Corporation

WITNESS:

DocuSigned by:

_____
1284D2D5E9EA483...
As to the signature of

DocuSigned by:

_____
E86C9E1312TC42D...
Andrew Terence Hill, personally as guarantor

_____
As to the signature of

_____
Kimberley Gail Hill, personally as guarantor

MORRISON FINANCIAL MORTGAGE CORPORATION

Per: _____
Alenna Emer
CFO, I have authority to bind the Corporation

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: 1817955 ONTARIO LTD. – Agreement Amending Charge to MORRISON FINANCIAL MORTGAGE CORPORATION
Part Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Saugeen Shores (PIN 33268-2035) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Notice and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Notice in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 25 day of September, 2023.

1817955 ONTARIO LTD.

Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

as to the signature of

Andrew Terence Hill – Guarantor

as to the signature of
Judy Maria Rich
LSO # 56432M

Kimberley Gail Hill – Guarantor

Properties

PIN 33268 - 2035 LT
Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Consideration

Consideration $0.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name 1817955 ONTARIO LTD.
Acting as a company
Address for Service R.R.#1
Port Elgin, Ontario
N0H 2C5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION
Acting as a company
Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

This notice is pursuant to Section 71 of the Land Titles Act.
This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted
This notice is for an indeterminate period
Schedule: See Schedules
This document relates to registration number(s)BR176854

THIS AGREEMENT made as of the 1st day of August, 2023.

B E T W E E N:

1817955 ONTARIO LTD.,
a corporation incorporated pursuant
to the laws of the Province of Ontario

(hereinafter referred to as the "Chargor")

OF THE FIRST PART

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION,
a corporation incorporated pursuant to the law of the
Province of Ontario

(hereinafter referred to as the "Chargee")

OF THE SECOND PART

- and -

ANDREW TERRANCE HILL and KIMBERLEY GAIL HILL, of the Town of Port Elgin, in the Province of Ontario

(hereinafter referred to as the "Guarantors")

OF THE THIRD PART

W H E R E A S:

A. By a Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Bruce (No. 3) on 24th day of November, 2021, Receipted as Number BR176854 (the "Charge") the Chargor did grant and mortgage to the Chargee, the lands and premises in the Town of Port Elgin, Ontario, described as Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Town of Saugeen Shores, Property Identifier Number 33268-2035 LT and known municipally as 1020 Goderich Street, Port Elgin, Ontario (the "Property"), to secure the payment of $9,541,546.25 with interest as therein set out.

B. The amounts due under the Charge are personally guaranteed by the Guarantors.

C. The Chargor and the Chargee have agreed to amend the Charge as hereinafter set out and the Guarantors have consented to and amendments and agreed to the continuation of their personal guarantees.

NOW THEREFORE in consideration of the sum of TWO DOLLARS ($2.00) paid by each party hereto to the other of them (the receipt and sufficiency whereof is hereby acknowledged) and in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. The following Provisions of the Charge are hereby amended from and after August 1st, 2023 as follows:

(a) the Principal sum secured shall be: TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00);
(b) Kimberley Gail Hill shall be added as a Guarantor to the Charge;
(c) the interest rate stipulated in paragraph 16 of the Schedule of Additional Provisions to the Charge shall be removed and replaced with the following: "The interest rate payable on this Charge is a floating rate equal to the greater of 14.0% per annum and the Royal Bank of Canada Prime Rate of Interest (the "Prime Rate") as set by Royal Bank of Canada from time to time, plus 6.80% per annum, interest only, calculated daily and compounded and due monthly.";

(d) the Collateral Security to Commitment in paragraph 20 of the Schedule of Additional Provisions to the Charge shall be amended by adding: ", as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023" after "October 26th, 2021" in the third line of the said paragraph.

2. The terms and conditions set out herein shall now form part of the Charge. In the event that any term or condition contained herein conflicts with a term or condition contained in the Charge (in its original form or as previously amended) the term or condition contained herein or in the attached schedule shall prevail. In all other respects the parties hereto confirm the terms and conditions contained in the Charge.

3. Provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person interested in the Property, nor affect the liability of any person not party hereto who may be liable to pay the mortgage money or the rights of any such person all of which rights are hereby reserved.

4. The undersigned Andrew Terrance Hill and Kimberley Gail Hill, Guarantors, acknowledge this amendment of the terms of the Charge and acknowledge, consent to, confirm and agree that their guarantees of the amounts secured by this Charge now includes the amounts referred to herein.

5. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

6. The provisions of this document shall enure to and be binding upon the successors, and assigns of each party and all covenants, liabilities, and obligations shall be joint and several.

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

1817955 ONTARIO LTD.

Per:_____
Andrew Terence Hill
President, I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

_____
As to the signature of
Jody Maria Rich
LSO # 56432M

_____
Andrew Terence Hill, personally as guarantor

_____
Kimberley Gail Hill, personally as guarantor

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:_____
Alenna Emer
CFO, I have authority to bind the Corporation

This is **Exhibit "50"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address 1020 GODERICH STREET
PORT ELGIN

Consideration

Consideration $0.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name 1817955 ONTARIO LTD.

Address for Service R.R.#1
Port Elgin, Ontario
N0H 2C5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s)BR176854

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Applicant(s)	First Signed	2023 09 29
Tel 416-484-8558				
Fax 416-484-6918				
Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Applicant(s)	Last Signed	2023 10 23
Tel 416-484-8558				
Fax 416-484-6918				

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

RUDERMAN, SHAW	Suite 801 - 40 Holly Street Toronto M4S 3C3	2023 10 23
Tel 416-484-8558		
Fax 416-484-6918		

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

THIS AGREEMENT made as of the 1st day of August, 2023.

B E T W E E N:

1817955 ONTARIO LTD.,
a corporation incorporated pursuant
to the laws of the Province of Ontario

(hereinafter referred to as the "Chargor")

OF THE FIRST PART

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION,
a corporation incorporated pursuant to the law of the
Province of Ontario

(hereinafter referred to as the "Chargee")

OF THE SECOND PART

- and -

ANDREW TERRANCE HILL and KIMBERLEY GAIL HILL, of the Town of Port Elgin, in the Province of Ontario

(hereinafter referred to as the "Guarantors")

OF THE THIRD PART

W H E R E A S:

A. By a Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Bruce (No. 3) on 24th day of November, 2021, Receipted as Number BR176854 (the "Charge") the Chargor did grant and mortgage to the Chargee, the lands and premises in the Town of Port Elgin, Ontario, described as Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Town of Saugeen Shores, Property Identifier Number 33268-2035 LT and known municipally as 1020 Goderich Street, Port Elgin, Ontario (the "Property"), to secure the payment of $9,541,546.25 with interest as therein set out.

B. The amounts due under the Charge are personally guaranteed by the Guarantors.

C. The Chargor and the Chargee have agreed to amend the Charge as hereinafter set out and the Guarantors have consented to and amendments and agreed to the continuation of their personal guarantees.

NOW THEREFORE in consideration of the sum of TWO DOLLARS ($2.00) paid by each party hereto to the other of them (the receipt and sufficiency whereof is hereby acknowledged) and in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. The following Provisions of the Charge are hereby amended from and after August 1st, 2023 as follows:

(a) the Principal sum secured shall be: TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00);
(b) Kimberley Gail Hill shall be added as a Guarantor to the Charge;
(c) the interest rate stipulated in paragraph 16 of the Schedule of Additional Provisions to the Charge shall be removed and replaced with the following: "The interest rate payable on this Charge is a floating rate equal to the greater of 14.0% per annum and the Royal Bank of Canada Prime Rate of Interest (the "Prime Rate") as set by Royal Bank of Canada from time to time, plus 6.80% per annum, interest only, calculated daily and compounded and due monthly.";

DS

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

(d) the Collateral Security to Commitment in paragraph 20 of the Schedule of Additional Provisions to the Charge shall be amended by adding: ", as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023" after "October 26th, 2021" in the third line of the said paragraph.

2. The terms and conditions set out herein shall now form part of the Charge. In the event that any term or condition contained herein conflicts with a term or condition contained in the Charge (in its original form or as previously amended) the term or condition contained herein or in the attached schedule shall prevail. In all other respects the parties hereto confirm the terms and conditions contained in the Charge.

3. Provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person interested in the Property, nor affect the liability of any person not party hereto who may be liable to pay the mortgage money or the rights of any such person all of which rights are hereby reserved.

4. The undersigned Andrew Terrance Hill and Kimberley Gail Hill, Guarantors, acknowledge this amendment of the terms of the Charge and acknowledge, consent to, confirm and agree that their guarantees of the amounts secured by this Charge now includes the amounts referred to herein.

5. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

6. The provisions of this document shall enure to and be binding upon the successors, and assigns of each party and all covenants, liabilities, and obligations shall be joint and several.

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

1817955 ONTARIO LTD.

DocuSigned by:

Per: _____
E88C9E13121C42D...
Andrew Terence Hill
President, I have authority to bind the Corporation

WITNESS:

DocuSigned by:

_____
1284D2D5F9EA483...
As to the signature of

DocuSigned by:

_____
E88C9E13121C42D...
Andrew Terence Hill, personally as guarantor

_____
As to the signature of

_____
Kimberley Gail Hill, personally as guarantor

MORRISON FINANCIAL MORTGAGE CORPORATION

Per: _____
Alenna Emer
CFO, I have authority to bind the Corporation

(d) the Collateral Security to Commitment in paragraph 20 of the Schedule of Additional Provisions to the Charge shall be amended by adding: ", as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023" after "October 26th, 2021" in the third line of the said paragraph.

2. The terms and conditions set out herein shall now form part of the Charge. In the event that any term or condition contained herein conflicts with a term or condition contained in the Charge (in its original form or as previously amended) the term or condition contained herein or in the attached schedule shall prevail. In all other respects the parties hereto confirm the terms and conditions contained in the Charge.

3. Provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person interested in the Property, nor affect the liability of any person not party hereto who may be liable to pay the mortgage money or the rights of any such person all of which rights are hereby reserved.

4. The undersigned Andrew Terrance Hill and Kimberley Gail Hill, Guarantors, acknowledge this amendment of the terms of the Charge and acknowledge, consent to, confirm and agree that their guarantees of the amounts secured by this Charge now includes the amounts referred to herein.

5. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

6. The provisions of this document shall enure to and be binding upon the successors, and assigns of each party and all covenants, liabilities, and obligations shall be joint and several.

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

1817955 ONTARIO LTD.

Per:_____
Andrew Terence Hill
President, I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

_____
As to the signature of
Judy Maria Rich
LSO # 56432M

_____
Andrew Terence Hill, personally as guarantor

_____
Kimberley Gail Hill, personally as guarantor

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:_____
Alenna Emer
CFO, I have authority to bind the Corporation

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(d) the Collateral Security to Commitment in paragraph 20 of the Schedule of Additional Provisions to the Charge shall be amended by adding: ", as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023" after "October 26th, 2021" in the third line of the said paragraph.

2. The terms and conditions set out herein shall now form part of the Charge. In the event that any term or condition contained herein conflicts with a term or condition contained in the Charge (in its original form or as previously amended) the term or condition contained herein or in the attached schedule shall prevail. In all other respects the parties hereto confirm the terms and conditions contained in the Charge.

3. Provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person interested in the Property, nor affect the liability of any person not party hereto who may be liable to pay the mortgage money or the rights of any such person all of which rights are hereby reserved.

4. The undersigned Andrew Terrance Hill and Kimberley Gail Hill, Guarantors, acknowledge this amendment of the terms of the Charge and acknowledge, consent to, confirm and agree that their guarantees of the amounts secured by this Charge now includes the amounts referred to herein.

5. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

6. The provisions of this document shall enure to and be binding upon the successors, and assigns of each party and all covenants, liabilities, and obligations shall be joint and several.

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

1817955 ONTARIO LTD.

Per: _____
Andrew Terence Hill
President, I have authority to bind the Corporation

WITNESS:

_____ _____
As to the signature of Andrew Terence Hill, personally as guarantor

_____ _____
As to the signature of Kimberley Gail Hill, personally as guarantor

MORRISON FINANCIAL MORTGAGE CORPORATION

DocuSigned by:
Per: Alenna Emer
7FC5D6807DB54C9...
Alenna Emer
CFO, I have authority to bind the Corporation

This is **Exhibit "51"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ACKNOWLEDGEMENT AND DIRECTION

TO: FREDERICK HAROLD HUGH SHAW

AND TO: RUDERMAN SHAW

RE: 1817955 ONTARIO LTD. – Notice of Assignment of Rents to MORRISON FINANCIAL MORTGAGE CORPORATION
Part Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417; Saugeen Shores (PIN 33268-2035) (the "Property")

This will confirm that:

1. The undersigned have reviewed the information set out in this Acknowledgement and Direction and in the attached draft Notice and this information is accurate.

2. You, your agent, or employee are authorized and directed to sign, deliver, and/or register electronically, on our behalf the Notice in the form of the attached draft as well as any other documents required to complete the transaction described above.

3. You are authorized to insert any information that may be required in the electronic documents described in this Acknowledgement and Direction that may not be available to you the time of execution of this Acknowledgement and Direction.

4. The effect of the electronic documents described in this Acknowledgement and Direction have been fully explained to us and we understand that we are parties to and bound by the terms and provisions of the electronic documents to the same extent as if we had signed the documents.

5. We are in fact the parties named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identities to you.

6. The undersigned hereby authorize you to make any minor, non-material alterations that may be required by the Land Registry Office or any governmental agencies of governmental authorities to effect certification of the electronic documents described in this Acknowledgement and Direction by the Land Registry Office.

7. This document may be executed by electronic means and may be transmitted and delivered by electronic transmission, and any such delivery of this document so executed shall be deemed to be the equivalent of the delivery of an executed original of this document. The undersigned consent to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* as amended from time to time with respect to the execution of this document.

DATED this 22 day of September, 2023.

1817955 ONTARIO LTD.

DocuSigned by:

Andrew Terence Hill, President
I have authority to bind the Corporation

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name 1817955 ONTARIO LTD.

Acting as a company

Address for Service R.R.#1
Port Elgin, Ontario
N0H 2C5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Acting as a company

Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted

This notice is for an indeterminate period

Schedule: See Schedules

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made as of the 1st day of August, 2023.

BETWEEN:

1817955 ONTARIO LTD.

hereinafter called the "Assignor"
OF THE FIRST PART

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Chargee"
OF THE SECOND PART

Now therefore it is hereby covenanted, agreed and declared as follows:

1. In this agreement unless there is something in the subject matter or context inconsistent therewith,
   a. "Charge" means a charge of the Lands from the Assignor to the Chargee securing the principal sum of TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00) plus interest thereon, and any other monies which may become owing to the Chargee under the Charge;
   b. "Lands" means the lands and premises described as Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035 LT). The lands and premises are further described in the "Property" section of the document to which this Schedule is attached;
   c. "Leases" includes:
      i. every existing and future lease and agreement to lease in respect of the whole or any portion of the Lands;
      ii. every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;
      iii. every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and
      iv. every existing and future assignment of, and agreement to assume, the obligations of tenants of the whole or any portion of the Lands;
   d. "Rents" means all revenues, receipts, income, credits, deposits, rents, additional rents, tenant recoveries and other receivables of any nature and kind whatsoever arising from, payable under or related to the Leases, whether past due, now due or hereafter to become due and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.

2. The Chargee has registered a Charge (the "Charge") against the Lands. The Assignor is the owner of the Lands subject to the Charge and has agreed to enter into this agreement with the Chargee as collateral security for the due payment of the Charge;

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3. The Assignor hereby assigns to the Chargee, its successor and assign (as security for the principal, interest, and other amounts secured by the Charge and until the monies due under and by virtue of the Charge have been fully paid and satisfied), (i) the Leases and all benefits and advantages to be derived therefrom with full power and authority to use the name of the Assignor or the owner from time to time of the Lands or the name of the Chargee, as the Chargee may elect in its sole discretion, for enforcing the covenants and agreements on the parts of the tenants contained therein, and (ii) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands or in the name of the Chargee, as the Chargee may elect in its sole discretion.

4. The Assignor hereby represents, warrants, covenants and agrees that:

   a. complete and true copies of all of the presently existing non-residential Leases have been delivered to the Chargee;

   b. the Assignor will not without the prior written consent of the Chargee perform, or omit to perform, any act having the effect of terminating cancelling or accepting surrender of any of the non-residential Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or any obligations of any other party thereunder or in connection therewith;

   c. none of the non-residential Leases or the Assignor's rights thereunder, including the right to receive the Rents, will be altered, varied or amended;

   d. none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term) nor have they been discounted, released, waived, compromised or otherwise discharged;

   e. there has been no default of a material nature which has not been remedied under any of the Leases by any of the parties thereto;

   f. there is no outstanding dispute under any of the Leases by any party thereto; and

   g. the Assignor will observe and perform all of the Assignor's obligations under each of the Leases.

5. Subject to the provisions of paragraph 3 above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until the Chargee shall give notice to the tenant, user, occupier, licensee or guarantor thereunder requiring payment to the Chargee.

6. Nothing contained herein or in any statute shall have the effect of making the Chargee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Chargee shall not by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a chargee in possession of the Lands or the charged premises and the Chargee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Chargee shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

DS

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

7. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Chargee from time to time to perfect this agreement and assignment. The Assignor will from time to time at the reasonable request of the Chargee furnish to the Chargee a copy of the current rent roll of the building on the Lands showing the basic terms of all Leases and, if requested by the Chargee, give the Chargee a specific assignment of the Rents thereunder in form satisfactory to the Chargee.

8. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable than those which a prudent landlord would expect in respect of the premises to be leased.

9. The Assignor hereby agrees to indemnify at all times and from time to time and save the Chargee harmless from any and all demands, claims, damages, actions, proceedings, lawsuits, costs, expenses, or payments incurred which the Chargee may sustain or incur by reason of the Assignor's failure to charge legal rents or by reason of successful rebate claims by any tenant under any lease in the building on the Lands or by any former tenant of the building and agrees that all rents charged with respect to the Lands or any part thereof will be lawful rents pursuant to any applicable legislation from time to time respecting residential housing and further agrees that it will file all items required to be filed by such legislation in a timely, accurate and complete way.

10. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum due under the Charge; and that none of the rights or remedies of the Chargee under the Charge shall be delayed or in any way prejudiced by these presents; and that following registration of a discharge of the Charge this agreement and assignment shall be of no further force or effect, and such discharge shall act as a release and reassignment of the assignments herein.

11. In this agreement words denoting the singular include the plural where appropriate and vice-versa and words denoting any gender include all genders.

12. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

1817955 ONTARIO LTD.
Per:

DocuSigned by:

E66C9E13121C42D...

Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "52"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address 1020 GODERICH STREET
PORT ELGIN

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name 1817955 ONTARIO LTD.

Address for Service R.R.#1
Port Elgin, Ontario
N0H 2C5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Address for Service Suite 202
8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, BR176854 registered on 2021/11/24 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Applicant(s)	First Signed	2023 09 29
Tel 416-484-8558				
Fax 416-484-6918				
Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Applicant(s)	Last Signed	2023 10 23
Tel 416-484-8558				
Fax 416-484-6918				

I have the authority to sign and register the document on behalf of all parties to the document.

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Party To(s)	First Signed	2023 09 29
Tel 416-484-8558				
Fax 416-484-6918				
Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Party To(s)	Last Signed	2023 10 23
Tel 416-484-8558				
Fax 416-484-6918				

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

RUDERMAN, SHAW	Suite 801 - 40 Holly Street Toronto M4S 3C3	2023 10 23
Tel 416-484-8558		
Fax 416-484-6918		

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made as of the 1st day of August, 2023.

BETWEEN:

1817955 ONTARIO LTD.

hereinafter called the "Assignor"
OF THE FIRST PART

-and-

MORRISON FINANCIAL MORTGAGE CORPORATION

hereinafter called the "Chargee"
OF THE SECOND PART

Now therefore it is hereby covenanted, agreed and declared as follows:

1. In this agreement unless there is something in the subject matter or context inconsistent therewith,
   a. "Charge" means a charge of the Lands from the Assignor to the Chargee securing the principal sum of TWELVE MILLION DOLLARS AND ZERO CENTS ($12,000,000.00) plus interest thereon, and any other monies which may become owing to the Chargee under the Charge;
   b. "Lands" means the lands and premises described as Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores (PIN 33268-2035 LT). The lands and premises are further described in the "Property" section of the document to which this Schedule is attached;
   c. "Leases" includes:
      i. every existing and future lease and agreement to lease in respect of the whole or any portion of the Lands;
      ii. every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;
      iii. every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and
      iv. every existing and future assignment of, and agreement to assume, the obligations of tenants of the whole or any portion of the Lands;
   d. "Rents" means all revenues, receipts, income, credits, deposits, rents, additional rents, tenant recoveries and other receivables of any nature and kind whatsoever arising from, payable under or related to the Leases, whether past due, now due or hereafter to become due and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.

2. The Chargee has registered a Charge (the "Charge") against the Lands. The Assignor is the owner of the Lands subject to the Charge and has agreed to enter into this agreement with the Chargee as collateral security for the due payment of the Charge;

DS

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3. The Assignor hereby assigns to the Chargee, its successor and assign (as security for the principal, interest, and other amounts secured by the Charge and until the monies due under and by virtue of the Charge have been fully paid and satisfied), (i) the Leases and all benefits and advantages to be derived therefrom with full power and authority to use the name of the Assignor or the owner from time to time of the Lands or the name of the Chargee, as the Chargee may elect in its sole discretion, for enforcing the covenants and agreements on the parts of the tenants contained therein, and (ii) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands or in the name of the Chargee, as the Chargee may elect in its sole discretion.

4. The Assignor hereby represents, warrants, covenants and agrees that:

   a. complete and true copies of all of the presently existing non-residential Leases have been delivered to the Chargee;

   b. the Assignor will not without the prior written consent of the Chargee perform, or omit to perform, any act having the effect of terminating cancelling or accepting surrender of any of the non-residential Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or any obligations of any other party thereunder or in connection therewith;

   c. none of the non-residential Leases or the Assignor's rights thereunder, including the right to receive the Rents, will be altered, varied or amended;

   d. none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term) nor have they been discounted, released, waived, compromised or otherwise discharged;

   e. there has been no default of a material nature which has not been remedied under any of the Leases by any of the parties thereto;

   f. there is no outstanding dispute under any of the Leases by any party thereto; and

   g. the Assignor will observe and perform all of the Assignor's obligations under each of the Leases.

5. Subject to the provisions of paragraph 3 above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until the Chargee shall give notice to the tenant, user, occupier, licensee or guarantor thereunder requiring payment to the Chargee.

6. Nothing contained herein or in any statute shall have the effect of making the Chargee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Chargee shall not by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a chargee in possession of the Lands or the charged premises and the Chargee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Chargee shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

DS

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7. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Chargee from time to time to perfect this agreement and assignment. The Assignor will from time to time at the reasonable request of the Chargee furnish to the Chargee a copy of the current rent roll of the building on the Lands showing the basic terms of all Leases and, if requested by the Chargee, give the Chargee a specific assignment of the Rents thereunder in form satisfactory to the Chargee.

8. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable than those which a prudent landlord would expect in respect of the premises to be leased.

9. The Assignor hereby agrees to indemnify at all times and from time to time and save the Chargee harmless from any and all demands, claims, damages, actions, proceedings, lawsuits, costs, expenses, or payments incurred which the Chargee may sustain or incur by reason of the Assignor's failure to charge legal rents or by reason of successful rebate claims by any tenant under any lease in the building on the Lands or by any former tenant of the building and agrees that all rents charged with respect to the Lands or any part thereof will be lawful rents pursuant to any applicable legislation from time to time respecting residential housing and further agrees that it will file all items required to be filed by such legislation in a timely, accurate and complete way.

10. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum due under the Charge; and that none of the rights or remedies of the Chargee under the Charge shall be delayed or in any way prejudiced by these presents; and that following registration of a discharge of the Charge this agreement and assignment shall be of no further force or effect, and such discharge shall act as a release and reassignment of the assignments herein.

11. In this agreement words denoting the singular include the plural where appropriate and vice-versa and words denoting any gender include all genders.

12. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

1817955 ONTARIO LTD.
Per:

DocuSigned by:
E86C9E13121C42D...
Andrew Terence Hill, President
I have authority to bind the Corporation

This is **Exhibit "53"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: F1FC7C73-233F-4476-858D-4DFB918D6362

AUTHORIZATION

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO INC., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO INC. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

The undersigned have each executed and delivered certain security documents and related documents in connection with the above loan, which documents left blank certain dates and registration numbers. Each of the undersigned hereby authorizes either RUDERMAN SHAW or TINA BLAIR to insert into any of the said documents the appropriate dates or registration numbers which have been left blank.

DATED at Port Elgin, Ontario, this day of September, 2023.

1817955 ONTARIO INC.
Per: DocuSigned by:
E86C3E1312IC42D...
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

DocuSigned by:
1284D2D5E9EA483...
As to the signature of

DocuSigned by:
E86C3E1312IC42D...
Andrew Terence Hill, personally
as Guarantor

As to the signature of

Kimberley Gail Hill, personally
as Guarantor

DocuSign Envelope ID: D97F8F5C-B542-478C-A169-26C78C4C0A35

AUTHORIZATION

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW,
its solicitors herein

FROM: 1817955 ONTARIO INC., ANDREW TERENCE HILL and KIMBERLEY GAIL HILL

RE: MORRISON FINANCIAL MORTGAGE CORPORATION
Loan to 1817955 ONTARIO INC. (the **"Borrower"**)- collaterally secured by second priority Charge/Mortgage – 1020 Goderich Street, Port Elgin, Ontario (PIN 33268-2035 LT) (the "**Property**") as guaranteed by Andrew Terence Hill (the "**Guarantor**")

The undersigned have each executed and delivered certain security documents and related documents in connection with the above loan, which documents left blank certain dates and registration numbers. Each of the undersigned hereby authorizes either RUDERMAN SHAW or TINA BLAIR to insert into any of the said documents the appropriate dates or registration numbers which have been left blank.

DATED at Port Elgin, Ontario, this 27th day of September, 2023.

1817955 ONTARIO INC.
Per:

_____
Andrew Terence Hill, President
I have authority to bind the Corporation

WITNESS:

_____
As to the signature of

_____
Andrew Terence Hill, personally
as Guarantor

_____
As to the signature of

Kimberley Hill
_____
Kimberley Gail Hill, personally
as Guarantor

This is **Exhibit "54"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: D78B4E99-011F-4380-AADE-D4D7D2675A03

NON-MERGER ACKNOWLEDGEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

RE: Morrison Financial Mortgage Corporation (the "Chargee")
mortgage loan to 1817955 Ontario Ltd.
secured by 1020 Goderich Street, Town of Port Elgin, Ontario
(the "Property")

WHERE AS 1817955 Ontario Ltd. has applied to the Chargee for a loan:

AND WHEREAS the Chargee has agreed to provide such loan upon the terms set out in the letter of commitment dated October 26th, 2021 and accepted October 26th, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023 and August 11, 2023 (collectively the "Loan Agreement"), and any further amendments thereto:

AND THEREFORE each of the undersigned hereby, jointly and severally, acknowledge and agree:

1. to be responsible to the Chargee for all principal amounts advanced, all interest thereon, and all expenses or costs incurred by the Chargee relating to the preservation or enforcement of any security or collateral security given pursuant to the Loan Agreement, and any amendments thereto; and

2. that the whole of the principal outstanding and all interest accruing on the charge granted by 1817955 Ontario Ltd. in favor of Morrison Financial Mortgage Corporation on the Property, or any amendment, renewal or replacement thereof (collectively, the "Charge") shall immediately become due and payable, at the sole option of the Chargee, and the Charge and all other security held by the Chargee (collectively the "Loan Documents") shall immediately become enforceable, at the sole option of the Chargee, in accordance with the terms thereof, in the event any of the undersigned fail to observe or perform any condition, agreement, covenant or term as set out in the Charge, the Loan Documents or in the Loan Agreement, all of which each of the undersigned acknowledge and agree will not merge in the giving or registration of the Charge or the Loan Documents but shall continue thereafter in full force and effect until repayment in full of all funds advanced pursuant to such loan and the discharge and release of all security documentation thereunder is completed.

   In the event of any conflict or discrepancy between the Loan Agreement, the Charge or the Loan Documents, the terms of the Loan Agreement shall prevail.

DATED at Port Elgin, Ontario this 22 day of September, 2023.

1817955 ONTARIO LTD.

Per: DocuSigned by:
E86C9E13121C42D...
Name: Andrew Terence Hill
Title: President
I have authority to bind the Corporation

DocuSigned by:
E86C9E43121C42D...
Andrew Terence Hill, in my personal capacity

Kimberley Gail Hill, in my personal capacity

NON-MERGER ACKNOWLEDGEMENT

TO: MORRISON FINANCIAL MORTGAGE CORPORATION

AND TO: RUDERMAN, SHAW, Barristers & Solicitors

RE: Morrison Financial Mortgage Corporation (the "Chargee")
mortgage loan to 1817955 Ontario Ltd.
secured by 1020 Goderich Street, Town of Port Elgin, Ontario
(the "Property")

WHERE AS 1817955 Ontario Ltd. has applied to the Chargee for a loan:

AND WHEREAS the Chargee has agreed to provide such loan upon the terms set out in the letter of commitment dated October 26th, 2021 and accepted October 26th, 2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023 and August 11, 2023 (collectively the "Loan Agreement"), and any further amendments thereto:

AND THEREFORE each of the undersigned hereby, jointly and severally, acknowledge and agree:

1. to be responsible to the Chargee for all principal amounts advanced, all interest thereon, and all expenses or costs incurred by the Chargee relating to the preservation or enforcement of any security or collateral security given pursuant to the Loan Agreement, and any amendments thereto; and

2. that the whole of the principal outstanding and all interest accruing on the charge granted by 1817955 Ontario Ltd. in favor of Morrison Financial Mortgage Corporation on the Property, or any amendment, renewal or replacement thereof (collectively, the "Charge") shall immediately become due and payable, at the sole option of the Chargee, and the Charge and all other security held by the Chargee (collectively the "Loan Documents") shall immediately become enforceable, at the sole option of the Chargee, in accordance with the terms thereof, in the event any of the undersigned fail to observe or perform any condition, agreement, covenant or term as set out in the Charge, the Loan Documents or in the Loan Agreement, all of which each of the undersigned acknowledge and agree will not merge in the giving or registration of the Charge or the Loan Documents but shall continue thereafter in full force and effect until repayment in full of all funds advanced pursuant to such loan and the discharge and release of all security documentation thereunder is completed.

   In the event of any conflict or discrepancy between the Loan Agreement, the Charge or the Loan Documents, the terms of the Loan Agreement shall prevail.

DATED at Port Elgin, Ontario this 25 day of September, 2023.

1817955 ONTARIO LTD.

Per:

_____
Name:Andrew Terence Hill
Title: President
I have authority to bind the Corporation

_____
Andrew Terence Hill, in my personal capacity

Kim Hill
_____
Kimberley Gail Hill, in my personal capacity

This is **Exhibit "55"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Properties

PIN 33268 - 2035 LT

Description PART OF PARK LOT 18, PLAN 111 , SAUGEEN SHORES, DESIGNATED AS PART 1, 3R10417; TOWN OF SAUGEEN SHORES

Address 1020 GODERICH STREET
PORT ELGIN

Source Instruments

Registration No.	*Date*	*Type of Instrument*
BR163052	2020 12 09	Charge/Mortgage

Party From(s)

Name INTACT INSURANCE COMPANY

Address for Service 700 Univeristy Avenue
Toronto, Ontario
M5G 0A1

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name MORRISON FINANCIAL MORTGAGE CORPORATION

Address for Service Suite 202 - 8 Sampson Mews
Toronto, Ontario
M3C 0H5

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number BR198964 registered on 2023/10/13

This document relates to registration number(s)BR163052; BR163367; BR176790; BR176854; BR176980;and BR198964

Signed By

Frederick Harold Hugh Shaw	Suite 801 - 40 Holly Street Toronto M4S 3C3	acting for Party From(s)	Signed	2023 10 13

Tel 416-484-8558

Fax 416-484-6918

I have the authority to sign and register the document on behalf of the Party From(s).

Submitted By

RUDERMAN, SHAW	Suite 801 - 40 Holly Street Toronto M4S 3C3	2023 10 13

Tel 416-484-8558

Fax 416-484-6918

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

This is **Exhibit "56"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

DocuSign Envelope ID: 902DD4B4-D0F9-43B6-B4D0-5FEBB63228B0

PRIORITY AGREEMENT

10/13/2023

THIS AGREEMENT dated the day of October, 2023.

BETWEEN:

INTACT INSURANCE COMPANY

(hereinafter called "**Intact**")

- and -

MORRISON FINANCIAL MORTGAGE CORPORATION

(hereinafter called "**Construction Lender**")

WHEREAS:

1. 1817955 ONTARIO LTD. (hereinafter called the "**Principal**") has entered into a credit facility with the Construction Lender or commitment letter with the Construction Lender dated the 26th day of October,2021, as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023 and August 11, 2023 pursuant to which the Principal has executed and delivered certain security to the Construction Lender, including without limitation a Charge/Mortgage of Land (the "Charge") dated the 24th day of November, 2021, in the principal amount of NINE MILLION FIVE HUNDRED FORTY ONE THOUSAND FIVE HUNDRED FORTY SIX DOLLARS AND TWENTY FIVE CENTS ($9,541,546.25 (the "**Construction Mortgage**") which has been amended to TWELVE MILLION DOLLARS ($12,000,000.00) and certain other security (all present and future security granted by the Principal to the Construction Lender, collectively referred to herein as the "**Construction Lender Security**").

2. The Construction Mortgage was registered in the Land Titles Division of the Land Registry Office for the County of Bruce, as Instrument No. BR176854, as amended by agreement dated as of August 1, 2023, notice of which was registered in the said Land Registry Office, as Instrument No. BR 198964 against the lands described in Schedule "A" hereto (the "**Property**").

3. The Principal has requested Intact to provide a Bond to Tarion Warranty Corporation and/or excess condominium deposit insurance policies ("ECDI") in connection with the Principal's proposed development of a residential condominium project (the "**Project**") on the Property.

4. The Principal has entered into a deposit trust agreement dated November 9th, 2020 (the "**Deposit Trust Agreement**") with Intact and Chaitons LLP (the "**Escrow Agent**") in connection with deposit monies received from time to time from purchasers of dwelling units in the Project and accrued interest thereon (the "**Deposit Monies**") pursuant to which the Deposit Monies are to be placed and held in trust in a designated and segregated trust account monitored by Intact (the "**Designated Trust Account**").

5. By a Charge/Mortgage of Land ("**Intact Mortgage**") made between the Principal as mortgagor and Intact (formerly "The Guarantee Company of North America") as mortgagee which Intact Mortgage was registered on the 9th day of December, 2020 in the Land Titles Division of the Land Registry Office for the Land Titles Division of Bruce as Instrument No. BR163052, the Principal did mortgage the Property to Intact to secure payment of the sum of EIGHT HUNDRED NINETY THOUSAND Dollars ($890,000.00) and interest as set out in Intact Mortgage which has been amended to secure payment of the sum of ONE MILLION ONE HUNDRED THOUSAND Dollars ($1,100,000.00).

6. The Principal has granted to Intact, pursuant to the provisions of Intact Mortgage and the Deposit Trust Agreement, a first charge and security interest in the Deposit Monies held in trust in the Designated Trust Account pursuant to the terms of the Deposit Trust Agreement (all present and future security granted by the Principal to Intact, including such security granted pursuant to Intact Mortgage and the Deposit Trust Agreement, hereinafter referred to as "Intact **Security**").

7. The parties hereto wish to record their agreement as to the priorities of the Construction Lender Security and Intact Security.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are acknowledged) Intact and the Construction Lender agree as follows:

(a) The Construction Mortgage and all amounts secured thereby (including all costs, charges and fees and expenses incurred by the Construction Lender, or any agent, receiver, or receiver and manager appointed by the Construction Lender, in connection therewith but including advances made or to be made thereunder, only to the extent of Twelve Million Dollars and Zero Cents ($12,000,000.00), plus interest thereunder and secured thereby shall be an encumbrance upon the Property prior to Intact Mortgage, and Intact hereby postpones and subordinates all of its rights and interests under Intact Mortgage to the Construction Mortgage, to all amounts secured thereby (including all costs, charges, fees and expenses incurred by the Construction Lender, or any agent, receiver or receiver and manager appointed by the Construction Lender, in connection therewith) and all advances made or to be made thereunder to the extent noted above and to all interest accruing thereunder and security thereby. In order to give effect to this postponement and subordination, Intact releases to the Construction Lender all of its rights and claims to priority with respect to Intact Mortgage to the extent noted above.

(b) Subject to the provisions of Paragraph (a) above in respect of the Construction Mortgage and Intact Mortgage, Intact Security shall at all times be postponed to and rank subordinate to the Construction Lender Security, except in respect of the Deposit Monies, in respect to Intact Security shall have priority over the Construction Lender Security for only so long as, and to the extent that, such Deposit Monies shall remain in trust in the Designated Trust Account pursuant to the provisions of the Deposit Trust Agreement. For such purposes the Construction Lender hereby subordinates the Construction Lender Security, including all registrations made under the Personal Property Security Act (the "PPSA") in respect thereof, Intact Security in respect of the Deposit Monies.

(c) The above postponements and subordinations shall apply notwithstanding the respective dates of execution and registration of any of the Construction Lender Security or Intact Security, the date of attachment or perfection of any security interest granted thereby, the date of any advance, the date of any default, or any other matter. Each of the parties hereto agrees that it shall not claim against the other the benefit of any charge, mortgage, security interest, trust or other claim which would affect the priorities set out therein.

(d) Intact hereby confirms that notwithstanding any provision to the contrary in any of Intact Security, the security provided by Intact Security over the Property and other assets of the Principal in any way related to the Project (including without limitation, the Deposit Monies) shall not secure any indebtedness, liability or obligation of the Principal except in respect of the Project, while any amounts under the Construction Lender Security remains unpaid.

(e) Intact and the Construction Lender consent to the granting of the security by the Principal referred to herein, and shall at all times and from time execute and deliver to the other all such further documents, agreements or other assurances as may be necessary to give effect to this agreement and to carry out the intent hereof.

(f) Nothing herein shall affect the rights of Intact and the Construction Lender respectively against the Principal. The provisions of this agreement shall enure to the benefit of and be binding upon the Construction Lender and Intact and their respective successors and assigns, and shall be interpreted and construed according to the laws of the Province of Ontario.

(g) Intact hereby covenants, agrees and undertakes to and with the Construction Lender to execute and deliver without payment (whether on account of principal, interest or otherwise) therefor and notwithstanding any default under Intact Security:

(i) any and all plans, documents and agreements whatsoever which may be necessary or desirable in order to facilitate the development of the Property, including without limitation, the registration of a plan or plans of condominium;

(ii) such partial discharge or discharges or other assurances as may be required to convey to any municipality, public authority, other governmental body or authority, railway company, utility, or conservation authority, any lands required for municipal, public or any other purpose, in order to permit the registration of a plan or plans of condominium, or for any other municipal or public purpose, including but without limiting in any way the generality of the foregoing, such public or private purposes as roads, road widenings, highways, walkways, reserves and parks;

(iii) such partial discharge or discharges and any consents, subordinations or postponements required in order to create and grant easements, rights-of-way, licences or reserves for utilities whether public, quasi public or private and whether for gas, water, electricity, telephone, sewer (sanitary and storm), cable television or similar services;

(iv) any document required by the Principal in connection with the entering into of any condominium, development, site plan, engineering or similar development agreement with the relevant municipality, public or private utility or other governmental authority; and

(v) partial discharges of Intact Security in respect of condominium units (and their appurtenant common interests) and any other part of the Property to facilitate the closing of sales thereof, until the indebtedness secured by the Construction Lender Security has been paid in full, provided that the net proceeds from such sales are applied to reduce the indebtedness outstanding to the Construction Lender.

(h) This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument. Counterparts may be executed and delivered by facsimile or other form of electronic transmission and shall have the same legally binding effect as if they were an original; provided, however that any party providing its signature in such manner shall promptly forward to the other parties an original of the executed copy of this Agreement which was so faxed or electronically transmitted.

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

INTACT INSURANCE COMPANY

Per: _____
Name: Kim Roberts
Title: Senior Underwriter, Developer Surety

Per: _____
Name:
Title:

We have authority to bind the Corporation.

MORRISON FINANCIAL MORTGAGE CORPORATION

DocuSigned by:

Per: Alenna Emer
FC5D8807DB54C9...
Name: Alenna Emer
Title: CFO

I have authority to bind the Corporation.

DocuSign Envelope ID: 902DD4B4-D0F9-43B6-B4D0-5FEBB63228B0

SCHEDULE "A"

Legal description of the Lands

Part of Park Lot 18, Plan 111, Saugeen Shores, Designated as Part 1, 3R10417, Town of Saugeen Shores being all of PIN 33268-2035 LT.

This is **Exhibit "57"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Morrison
Financial

8 Sampson Mews, Suite 202
Toronto, Ontario M3C 0H5
Tel: 416.391.3535 Fax: 416.391.4843
www.morrisonfinancial.com
Mortgage Brokerage Licence No. 10047

BY EMAIL

December 12, 2023

1817955 Ontario Ltd.
Andrew Hill, Hill Build

Dear Andrew:

Re: Morrison Financial Mortgage Corporation First Mortgage Loan to 1817955 Ontario Ltd., for the construction of 1020 Goderich Street, Town of Port Elgin ON

Reference is made to the Commitment Letter dated October 26, 2021 (the "Commitment") and amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, 2023, and August 11, 2023 (the "Commitment Amendments"), which collectively form the basis of an on-going financing between Morrison Financial Mortgage Corporation (the "Lender") and 1817955 Ontario Ltd. (the "Borrower").

The Business Plan as it currently stands, and cost overruns are events of default under the Loan (as described in the Amendment Letter dated August 11, 2023). On a without prejudice basis with respect to its rights to enforce, the Lender is prepared to forebear. The Lender has the right at its sole option to modify, terminate this Commitment, and/or to demand repayment at any time.

The Loan Term expired on December 1, 2023, at which time the Borrower was required to repay the full amount outstanding. Due to the Project not having been completed, the Borrower has requested that the Term be extended. Thus, based upon the Borrower's request, the Lender agrees to amend the Commitment and Amendments hereto as follows:

1. **Loan Advances:** With the exception of Draw 13, advances under the Loan will be paused, during which time the Borrower will work to obtain proceeds from conveyance of commercial unit pre-sales of the Project. In support thereof, the Borrower represents that occupancy of the commercial building will begin towards the end of January 2024, with closings expected to commence March 2024.

   Upon the Lender being satisfied with the below thresholds, it will consider resuming Loan advances in support of the Project:

   a. Occupancy permit(s) for the commercial building is/are obtained;

   b. Conveyances of commercial units have commenced, and sales are being completed with sufficient regularity and volume as to satisfy the Lender;

c. The commercial units which the Borrower intends to sell to a related party upon completion of the Project have been partially or entirely conveyed at or above revenues which align with the Business Plan;

d. An updated cost to complete for the Project has been provided by a new cost consultant confirming the on-going viability of the residential component of the Business Plan; and

e. The Lender has confirmed that the third floor of the commercial space cannot be severed into 5 PINS, as represented by the Borrower.

The above conditions are not mutually exclusive, in that, for example, the outcome of condition (d) above may impact the Lender's requirement on condition (b), and so on and so forth.

The above is <u>not</u> a commitment by the Lender to continue funding the Project but is an expression of support in moving forward under mutually acceptable terms, once clarity surrounding the Business Plan is available. In this regard, the Lender's decision on whether to continue funding shall be in its sole and absolute discretion at such a time that is deemed appropriate by the Lender.

2. **Term:** The Term of Facility 1 shall be extended by 12 months. The End of Term date shall be amended from December 1, 2023, to December 1, 2024.

3. **Extension Fee:** On December 1, 2023, a $110,412 Extension Fee is due and payable. This amount shall be advanced under Facility 1, and bear interest from December 1, 2023.

4. **Interest Reserve:** The Interest Reserve will be increased by $847,768 to account for the 12-month extension.

5. **Loan Amount:** The Loan Amount shall be increased from $10,187,447 to $11,041,204, as laid out in the Sources and Uses of Funds in Section 6 below.

6. **Sources and Uses of Funds:** The Sources and Uses shall be updated as follows:

Sources of Funds			**Uses of Funds**	
Equity	$1,793,572		Land Cost	$550,000
Purchaser Deposits	$950,066		Site Servicing Cost	$417,798
Deferred Costs	$315,540		Soft Cost	$1,264,988
Facility 1 Loan	$11,041,204		Hard Cost	$8,955,625
			Finance Cost	$2,280,465
			Sales Commissions	$315,540
			Contingency	$315,966
Total Sources	**$14,100,382**		**Total Uses**	**$14,100,382**

All other terms and conditions of the Commitment and Commitment Amendments hereto shall continue to govern.

Please confirm your agreement with the above by returning a signed copy of this correspondence to our office.

Yours very truly,

MORRISON FINANCIAL MORTGAGE CORPORATION

Per:

Alenna Emer, CPA, CA
Chief Financial Officer
E. & O.E.

Per:

David Morrison, B.A., J.D.
President

ACCEPTANCE

THE UNDERSIGNED hereby accept(s) the terms and conditions of this Commitment and covenant and agree to duly carry out its terms and conditions.

Dated at the City of Port Elgin, this 19th Day of Dec 2023

1817955 Ontario Ltd.
Per:

Name: Andrew Hill
Title: President
I/we have the authority to bind the corporation.

Kimberley Gail Hill
Per: Kim Hill

In her personal capacity.

AS COVENANTOR

Andrew Hill
Per:

In his personal capacity.

This is Page 3 of an amendment dated December 12, 2023, to a commitment letter from Morrison Financial Mortgage Corporation to 1817955 Ontario Ltd. dated October 26, 2021, and as amended by letter agreements dated March 23, 2022, June 21, 2022, November 23, 2022, February 17, 2023, March 31, 2023, June 26, and August 11, 2023, which collectively form the basis of an on-going financing.

1817955 Ontario Ltd. and Kimberley Gail Hill
1020 Goderich Street, Port Elgin, ON, 1632 12th Concession, Kincardine, and 137 Elgin Street, Unit 202
Draw 13 - December 19, 2023

Registered Security:				$12,000,000.00
Amount Outstanding:	(as at December 1, 2023)		Facility 1	$5,350,518.67
			Extension Fee	$110,412.00
			Total Loan Amount	$5,460,930.67
		Current Cost to Date (Abacus Construction Report 13)	$8,586,466.00	
		Interest Accrued as of December 1, 2023	Included above	
		Less Holdback	($344,179.00)	
		Less Equity Required	($1,793,572.00)	
		Less Amount to be Released by Deposit Insurer (Intact)	($210,027.00)	
		Less Previously Advanced	($5,350,518.67)	
		Less Purchaser Deposits	($678,144.00)	
		Rounding Adjustment	$1.67	
		Extension Fee	$110,412.00	
		Draw Fee	Included above	
		Legal Search Fee	Included above	
		Wire/Cheque Fees	Included above	
				$320,439.00
Net Advance:		Draw	$320,439.00	
		Interest Accrued as of December 1, 2023	Accounted for above	
		Extension Fee	($110,412.00)	
		Draw Fee	($500.00)	
		Legal Search Fee	($500.00)	
		Wire/Cheque Fees	($100.00)	
		Net Advance to Borrower	$208,927.00	
Amount Outstanding after Draw			Total Loan Amount	$5,781,369.67
				$5,781,369.67

1817955 Ontario Ltd.

Authorized Signatory (Print Name)	Signature	Date
ANDREW HILL		DEC 19 2023

Kimberley Gail Hill

Authorized Signatory (Print Name)	Signature	Date
KIM HILL		DEC 19 2023

This is **Exhibit "58"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Transaction History

Member Number: [redacted] - Morrison Financial Mortgage Corporation
Account: Chequing - 0
Current Balance: $[redacted]

Date	Description	Amount	Balance
May 03, 2024	Incoming Wire F.H. HUGH SHAW, BARRISTER SOLICIT Service Charge 17.50 Other Reference # 124050300429205	$169,852.44	$[redacted]

This is **Exhibit "59"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Hill Build Admin <admin@hillbuild.com>
Sent: February 12, 2024 4:30 PM
To: Fahad Warsi
Cc: Andrew Hill
Subject: Re: FW: Powerlink project
Attachments: Stubbe's - Nov 2023 Progress Report.JPG; Copy of Stubbes acceptance.pdf

[EXTERNAL]

Hello Fahad,

As requested, please find attached:

A copy of Stubbe's contract. as well as their last progress report
A copy of the anticipated income from the digital sign.

Sign is to endorse the existing tenant services, promote existing office availability, and to provide an additional income stream.

Copy of Digital Sign - ProForma Yearly Summary

Critical payables - We consider everything over 30 days as critical and require funds as soon as possible.

Payables and Draw14 Breakdown (Feb 12/24)

Updated Summary Sheet (AP#14) with O/S payables invoice #'s at the bottom of Sheet (#14)

Powerlink Budget Summary 2024

On Thu, Feb 8, 2024 at 4:21 PM Fahad Warsi <fwarsi@morrisonfinancial.com> wrote:

> Hi Andrew,
>
> Thank you for your response.
>
> 1. Please address Graham's question: A copy of the contract with Stubbe's Precast Inc. along with a narrative as to where the contract currently stands.
> 2. What is the intended use of the sign ordered from Cora Computers Inc.?
> 3. What exactly are the "critical payables". Please provide a breakdown which shows the vendor, amount, and invoice numbers.
>
> Regards,

Fahad Warsi | Senior Associate

Morrison Financial | 8 Sampson Mews, Suite 202 | Toronto, ON | M3C 0H5

C: 437.577.7928

www.morrisonfinancial.com

From: Andrew Hill <ahill@hillbuild.com>
Sent: Thursday, February 8, 2024 3:09 PM
To: Graham Banks <gbanks@morrisonfinancial.com>
Cc: Fahad Warsi <fwarsi@morrisonfinancial.com>; Matthew Solda <msolda@morrisonfinancial.com>; Hill Build Admin <admin@hillbuild.com>; Hill Build Admin <clove@hillbuild.com>
Subject: Re: FW: Powerlink project

[EXTERNAL]

Graham, thank you for your response. I appreciate your understanding of the litany of challenges we have faced and do appreciate your support. I would note that while I have been wrong on many assertions and projections I have never intentionally misled Morrison. Paying my suppliers and subcontractors is my primary concern and if you want to issue direct payments that's fine with me. I know a significant piece of the current ask is the return of out of pocket hold backs. Covering those out of pocket has drained all my resources. Current critical payables are approximately $285k. We continue to provide information to the new cost consultant and hope to see a report next week.

I think having you attend the chamber of commerce after hours event is an excellent idea. February 20th. 5.30pm- 7.30pm. We anticipate at least 50 local business owners. The event will be lightly catered and will be hosted in our large meeting room. Guests will be free to explore the building and literature will be available. We hope to have all our building management software ready to preview for guests.

Occupancy requirements:

ESA inspection (next week)

Life, safety and coordination study (14th)

Engineers sign off (subject to the coordination study results)

Architects sign off (subject to engineers sign off)

Occupancy letter (subject to engineer and architect sign offs)

My chief building official will provide the occupancy letter within a day or two of receiving the noted sign offs. This letter is required to complete occupancy closings. Occupancy is also required to process the condo registration.

Our goal is to return funds to Morrison asap. Completing the storage will add to the funds available to return as locker sales are higher than cost to complete. Everything residential is on hold. Stubbes have the precast made for the parking garage and are holding any further production. Payment to them is

outstanding. I really hope we can pay at least the oldest of the outstanding invoices so I don't lose the very people we need to get the doors open.

Pictures are attached for your reference.

I'm sorry to have put you in such a difficult situation.

Andrew.

Andrew Hill

President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101



www.hillbuild.com

On Thu, Feb 8, 2024 at 12:03 PM Graham Banks <gbanks@morrisonfinancial.com> wrote:

> Hi Andrew,
>
> Since the commencement of this loan, Morrison Financial has been a strong supporter of both you and the project. Unfortunately, the project has been fraught with delays and cost overruns, largely caused by funds being appropriated by you to finance work not included in the business plan we approved in the loan agreement. Cost consultant reports, as required by agreement, are not forthcoming. To make matters worse, the information provide to us directly from you is often incorrect and misleading, to the point that we are no longer able to rely on it.
>
> As an example of this incorrect and misleading information, on December 19, 2023, you stated in an email to Matthew and Fahad, *"If we delay structural steel and the floor pour on residential as well as the storage lockers for a few weeks, draw 14 would be in the $200k range split with Intact."* Since then the requested draw has increase to ~$372,000, it is not split with Intact, and the move-in date of early February is further delayed to late February. The email is attached hereto for reference.
>
> At this juncture, we will consider financing only those items which form part of the critical path to completing the commercial space and generating revenue from its sale. If we agree to do so, it will likely entail us making payments directly to suppliers. Other expenses may be paid from your other resources.

As a next step our credit committee has requested the following:

1. A list and copy of all reports and other information which are required by the City or other government entities prior to their issuance of occupancy certificates.
2. A copy of the contract with Stubbe's Precast Inc. along with a narrative as to where the contract currently stands.
3. Updated site photos showing work in place and to complete prior to closing commercial sales.
4. A photograph of the sign ordered from Cora Computers Inc. and a description of its intended use.
5. Details of your objectives for the event planned for February 20 along with a list of who you anticipate will be attending. We are eager to substantiate your claims that there is significant market demand for your end product. If our attendance at this gathering will lend credence to your assertions that sale revenues are forthcoming promptly, then we will welcome an invitation to attend.

Andrew, to the extent that you are working toward the sale of commercial units in order to pay down your loan, our goals are well aligned. What we don't support is additional indebtedness that will in any way increase your risk of default in payment of your obligations to Morrison Financial.

Regards,

Graham Banks, CFA

Senior Vice President | Morrison Financial



8 Sampson Mews, Suite 202, Toronto, ON M3C 0H5

Tel: +1 (416) 391 3535 e105 | Cell: +1 (416) 553-2687

gbanks@morrisonfinancial.com

Invest in our Mortgage Income Funds | Get Mortgage Financing | Explore Condo Lending (in partnership with Meridian)

Confidentiality Note: This transmission (including any attachments) may contain confidential information, privileged material (including material protected by the solicitor-client or other applicable privileges), or constitute non-public information. Any use of this information by anyone other than the intended recipient is prohibited. If you have received this transmission in error, please immediately reply to the sender and delete this information from your system. Use, dissemination, distribution, or reproduction of this transmission by unintended recipients is not authorized and may be unlawful.

From: Andrew Hill <ahill@hillbuild.com>
Sent: Thursday, February 8, 2024 6:34 AM
To: Graham Banks <gbanks@morrisonfinancial.com>; Matthew Solda <msolda@morrisonfinancial.com>; Fahad Warsi <fwarsi@morrisonfinancial.com>
Subject: Powerlink project

[EXTERNAL]

Good morning. Over two months ago Morrison committed to seeing me through to the completion of the commercial and the capping of the parking garage. I moved forward and kept all my suppliers and trades moving forward on the basis of that promise. My guys are loyal and my suppliers patient but the dominoes are falling. Without pay there will be no final sign offs, no letters for the municipality,

therefore no occupancy, no registrations and no closings. Everyone is pissed at me and I don't blame them.

Without funds in the next couple of days we grind to a halt. My payroll on Friday will be on my credit card.

I realize you want the report from BTY and Joe was not your problem but I can't hang in that long.

The building is so close to being finished and looks amazing. I toured 35 real estate agents through Powerlink yesterday and they were all impressed. I have been totally transparent with you guys from day one and have lived up to my side of the deal. I need cash asap.

Andrew

Andrew Hill

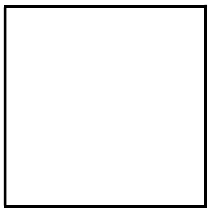
President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101



www.hillbuild.com

---------- Forwarded message ----------
From: Andrew Hill <ahill@hillbuild.com>
To: Fahad Warsi <fwarsi@morrisonfinancial.com>
Cc: Matthew Solda <msolda@morrisonfinancial.com>
Bcc:
Date: Tue, 19 Dec 2023 17:55:59 +0000
Subject: Re: Draw 13 - 1020 Goderich Street, Port Elgin, ON

[EXTERNAL]

Quick follow up. If we delay structural steel and the floor pour on residential as well as the storage lockers for a few weeks, draw 14 would be in the $200k range split with Intact. All our testing, integration and commissioning is booked for January. We will have move-ins in early Feb and will push the County for registration as quickly as possible.

Andrew Hill

President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101



www.hillbuild.com

On Tue, Dec 19, 2023 at 12:09 PM Fahad Warsi <fwarsi@morrisonfinancial.com> wrote:

> Hello Andrew,
>
> Please see the attached draw and amendment.
>
> Please confirm you agree with this, and I can send it to yourself and Kimberley via DocuSign.
>
> Thank you,
>
> **Fahad Warsi** | Senior Associate
>
> Morrison Financial | 8 Sampson Mews, Suite 202 | Toronto, ON | M3C 0H5
>
> C: 437.577.7928
>
> www.morrisonfinancial.com

Stubbe's Precast
44 Muir Line, RR#2
Harley, ON N0E 1E0
519-424-2183

STUBBE'S PRECAST

Date Issued
November 20, 2023

Project Information	Customer Information
Port Elgin - Powerlink -	Hill Build -

Statement of Values

Description of Work	Contract Value	% Complete	To Be Billed	Invoiced Previously	Current Invoice	Remaining
0% Down Payment	$0	100%	$0	$0	$0	$0
Engineering / Drafting	$0	0%	$0	$0	$0	$0
Supply Precast Panels	$467,281	61%	$286,961	$208,515	$78,446	$180,320
Install Precast Panels	$387,459	67%	$259,596	$204,883	$54,713	$127,863
Finishes & Services	$12,270	56%	$6,903	$479	$6,424	$5,367
Totals	**$867,010**	**64%**	**$553,460**	**$413,877**	**$139,583**	**$313,550**

Change Orders

CO#	Description of Work	Contract Amount	% Complete	To Be Billed	Invoiced Previously	Current Invoice	Remaining
1	declined	$0	0%	$0	$0	$0	$0
2	Stair landing on Comm Bldg	$6,100	0%	$0	$0	$0	$6,100
3	Increase residential side to	$37,000	0%	$0	$0	$0	$37,000
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
		$0	0%	$0	$0	$0	$0
Totals		**$43,100**		**$0**	**$0**	**$0**	**$43,100**

Amount submitted for payment for this month: **$139,583** **Before Holdback**

ve Statement of Values represents an accurate accounting of the work performed to date.

#CQ20-529 **QUOTATION** **October 23, 2020**

To: Hill Build
1632 Concession 12, RR #1
Port Elgin, ON

Attn: Andrew Hill
Phone: (519) 386-0101
Fax:

Project: Powerlink Residential / Commercial
1020 Goderich Street
Port Elgin, ON

This Quotation includes:

- Nine mobilization to site:
  - **Residential → Garbage Room Deck, Second, & Third Floors, Fourth Floor / Low Roof, High Roof.**
  - **Commercial → First, Second & Third Floors and Low (Main) Roof.**

Supply, installation & grouting of 8" & 10" Hollow core & Precast Balconies +/- 73,410 sq. ft.:

- Masonite bearing pads.
- 25 MPa grout mix between precast joints only (not an arch'l finish - topping / roofing / weather proof membrane by others)
- Reinforcing bar connections following Ontario industry standards:
  - End bearing rebar: 10M bars every grout joint, 1220mm (4'-0") c/c.
  - Side bearing rebar: 10M bars @ 1800mm (6'-0") c/c.
  - All rebar connections drilled max 152mm (6") deep into supporting wall structure.
  - All rebar connection welds based on 2mm throat, 50mm (2") on one side of rebar to structure.
  - Anti-rotation connections.
- Drilling of plumbing holes up to 6" diameter. Prior to placement of topping / flooring materials. Drilling thru solid units excluded.
- Latex caulking and patch to minor chips of precast joints where exposed to view
  - Included in Parking area and Basement of Commercial areas only. No exposed slabs in upper levels.
- 2" styrene plugs if required on exposed exterior cores.
- OPTION: Temporary safety guardrails around perimeter during hollowcore erection (see extra listed on following page).
- Top surface finish:
  - Grouted joints only (not an architectural finish – any toppings / roofing materials / weather proof membranes by others).
  - Floor Preparation:
    - None. Topping or roofing materials by others.

- **Engineered shop drawings for the province of Ontario. CPCI certification.**
- **Standard 1-year Warranty.**

This Quotation excludes:

- **Any Unionized installation crew or labour.**
- Liquidated damages or extended warrantees or ULC certification.
- Early payment discounts or maintenance fees.
- Any traffic control / lane closures / signage or signaling / flagmen / or associated permits.
- Any trucking allowances for half load season.
- Any hydro or water costs, sleeving / protection or removal of hydro wires (if applicable).
- Winter heat and protection from weather.
- Site dimensions/verification.
- Caulking of precast joints in locations not safely accessible by ladders (i.e. stairwell caps or due to mechanical equipment).
- Temporary shoring. Any work to existing.
- Any cast in weld plates, bolted or "hilti" connections in hollowcore slabs.
- Dry packing, caulking or grouting between precast and structure/adjacent surfaces.
- Drilling of electrical holes or thru any wetcast items (solids slabs, balconies, wall panels). Openings to be marked on shop drawings.
- Forming and in-fill or clip angle support around column penetrations or mechanical openings.
- Drilling of weep holes for drainage of cores from water accumulation.
- Maintenance of any weep holes (kept free and clear of miscellaneous debris, ice, etc. on site).
- Patching or re-establishing fire rating at weep holes or penetrations for plumbing or electrical work.
- **Analysis and design of the lateral force resisting system such as; diaphragm struts, ties, collectors and connections. Stubbe's will provide hollow core slab section properties and capacities upon request for use in the analysis by the designer of record.**
- **Supply or installation of any diaphragm related hardware or reinforcing.**
- **Any floor preparation material in areas that do not receive flooring materials (i.e. mechanical rooms, terraces, roof areas).**
- **Concrete topping or roofing materials or weatherproof membranes.**
- **Any fire proofing materials, sealants or caulking between precast and other materials.**
- **Caulking of precast slabs on upper levels (appears to be drop ceiling throughout except Parking & Storage on lowest Levels).**
- **Any precast stairs or mid landings (steel pan and pour by others).**
- **Angle and bolt connection to underside of precast (section 2 & 3/S4.1 and 5/S4.3).**
- **Notching of slab and filling of cores for HSS connections at roof level (section 12/S4.1).**
- **Handrail and bolted connections (sections 7 & 8/S4.3).**
- **Solid filled ends to cores in slabs.**

#CQ20-529 **QUOTATION** **October 23, 2020**

To: Hill Build
1632 Concession 12, RR #1
Port Elgin, ON

Attn: Andrew Hill
Phone: (519) 386-0101
Fax:

Project: Powerlink Residential / Commercial
1020 Goderich Street
Port Elgin, ON

General Notes:

- This quotation based on drawings provided by client: Arch. dated 2020/10/02, Str. dated 2020/10/02.
- Tolerances according to CSA A23.4 Clause 12 (Newest Edition).
- Access is required for trucks and crane along area to receive precast.
- No steel above to interfere with installation of precast.
- All bearing points of precast slabs must be on the same plane to prevent racking / twisting of precast.
- Clip angles or outriggers are required at columns to eliminate any side cantilever conditions.
- Contractor to provide strip footings or other support for temporary bracing of precast walls or other components.
- Engineering inspections are not included for jobs that are less than 5,000 sq. ft. or for jobs that are farther than 2 hours from Stubbe's. Please contact for extra if inspection is required. Inspections may not be conducted by Precast Engineer unless specifically requested. Please give 2 weeks' notice for an inspection request. Precast must be visible for an inspection.
- Overall building system designs including, but not limited to, Lateral Force Systems, Diaphragms (including Chords, Ties, etc.), Connections, and Load Takedowns are not by Stubbe's and need to be completed by the Primary Structural Engineer (EOR) prior to precast element design. Specifications and loading for elements must be provided to Stubbe's in accordance with A23.4 Table A.1. Loads provided must be reasonably achievable with precast elements per standards available at request.
- Coredrilling for 12" and 14" hollowcore slabs will be restricted to the cores only. All webs must remain intact. Please see shop drawings and Stubbe's standard coring guideline for additional information.

RESIDENTIAL PORTION

Precast price SUPPLY & INSTALL:

Base	**$ 454,000.00**
HST 13%	**$ 59,020.00**
Total	**$ 513,020.00**

Payment 30 days from invoice (O.A.C.) or TBD.
This Quote is valid for 30 days from date of issue.
The terms and conditions in CCA 1 (2008) are incorporated by reference and apply to this quotation.

COMMERCIAL PORTION

Precast price SUPPLY & INSTALL:

Base	**$ 413,000.00**
HST 13%	**$ 53,690.00**
Total	**$ 466,690.00**

Payment 30 days from invoice (O.A.C.) or TBD.
This Quote is valid for 30 days from date of issue.
The terms and conditions in CCA 1 (2008) are incorporated by reference and apply to this quotation.

Prices above are not individual values if one building or the other is ordered as a standalone Contract. It is a "package price" encompassing the entire structure. Prices separated only for invoicing and evaluation purposes only.

Total Contract value is $ 867,000.00 + HST

#CQ20-529 **QUOTATION** **October 23, 2020**

To: Hill Build
1632 Concession 12, RR #1
Port Elgin, ON

Attn: Andrew Hill
Phone: (519) 386-0101
Fax:

Project: Powerlink Residential / Commercial
1020 Goderich Street
Port Elgin, ON

NOTE: Schedule requires clarification prior to acceptance of contract.

DECLINED

OPTIONAL WEEP HOLES: During construction water can penetrate cores and accumulate. In cold weather freezing of this water can cause cracks and blow outs in the bottom of the slabs. Weep holes can be included for an additional **$ 10,500.00 + HST** to drain any water that enters the cores, reducing the risk of damages. Weep holes will be drilled through the top and bottom of slabs during production. Price includes one hole in each end of the cores and in-between anti-rotation notches. Stubbe's will provide a plug at the top surface. Underside to be filled/patched by others. Please see the exclusions above for additional information regarding weep holes.

DECLINED

OPTIONAL GUARD RAILS: Stubbe's to supply and install wooden guardrail around perimeter and all openings larger than 4'x4'. Stubbe's will supply a wooden guardrail system matching MOL requirements. This will be put up as the hollowcore is being installed and left in place for use by future trades. Once Stubbe's is done grouting that floor the rails become property and responsibility of the registered contractor onsite. **Extra: $ 28,500.00 + HST.**

- General contractor to coordinate railing setback with crew.
- General contractor to inspect railings as required.
- General contractor to maintain the railings once Stubbe's is done installing each area.
- Removal & disposal of guardrail by general contractor (including relocation for other trades, wall construction, etc.).

CONFIRMED ACCESS AVAILABLE

OPTIONAL CRANE CREDIT: Quote is based on crane access on inner parking area only (North Western side) due to hydro wires on both street sides. If crane and trucks can set up on Eastern and Southern sides and swing / operate between wires and both structures safely than crane size reduction allows for **credit of $32,000.00 + HST**.

NOTE: Solid slab over Lobby and Elevator Lobby will be multiple solid pieces in lieu of one large solid balcony. Landscape / weatherproofing material (by others) will disguise / cover any joints between slabs from top surface appearance.

NOTE: AS WE PROGRESS WE MAY BE ABLE TO REDUCE THE NUMBER OF SITE VISITS AND CRANE REQUIREMENTS BY COMBINING COMMERCIAL AND RESIDENTIAL INSTALLATIONS. I TRUST THIS CAN BE ACCOUNTED FOR WHEN WE WRAP UP.

Bryan Petryschuk
Commercial Sales / Contract Manager

ANDREW HILL
Client Signature and printed name
Accepted on behalf of client name indicated above.

Proposed Change Order PCO# 01 Date: January 13/21

Attention: Andrew **Stubbes Project #P20-- 388**
Company: Hill Build **No. of pages: 2**

RE: Addition of precast stairs and precast landings in lieu of steel pan and poured design

To substitute precast stairs and precast mid and main landings in lieu of steel pan as per current design. Work encompasses five stair shafts as per drawing A3.3. Additional support and final co-ordination of support to be determined and final design may vary from current layout due to possible limitations. Details to be resolved as shop drawing approval is performed. Precast stairs are Stubbe's typical design with raised non-slip pattern on treads and tactile warning strips cast into Main Landings only. No cast in inserts in stair treads or in mid landings.

Extra / ~~credit~~ to contract:

Base	**$ 106,600.00**
H.S.T. 13%	**$ 13,858.00**
Total	**$ 120,458.00**

Breakdown:

$ 42,300.00	stairs
$ 48,200.00	landings
$ 5,000.00	tactile warning strips
$ 1,000.00	additional design time
$ 5,000.00	install time (crew and crane)
$101,500.00	subtotal
$ 5,100.00	5% m/u (slightly rounded)
$106,600.00	Total (HST extra)

NOTE: Additional support structure (i.e. steel framing or clip angles) must be provided by Contractor (or similar) for mid landings accordingly. Exact work to be clarified during shop drawing approval.

STAIR / LANDING SUPPLY DECLINED

Bryan Petryschuk
Commercial Sales / Contract Manager

Client Signature and printed name
Accepted on behalf of client name indicated above.

STUBBE'S PRECAST
R.R. #2, Harley, ON N0E 1E0 Tel: (519) 424-2183 Fax: (519) 424-9058 www.stubbes.org

This is **Exhibit "60"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

Pearson, Becky

From: Robyn Player <robynplayer@bty.com>
Sent: July 22, 2024 10:41 AM
To: Andrew Hill
Cc: Hill Build Admin; Fahad Warsi; Graham Banks
Subject: RE: Powerlink project

[EXTERNAL]

Hi Andrew,

Hope you are doing well. Thanks for the email update.

We will standby for the information and prepare to update our reporting upon receipt.

Thanks,
Robyn

Robyn Player B.ARCH.SC, MRICS, PQS
Director
T: 647-484-0623 **E:** robynplayer@bty.com

From: Andrew Hill
Sent: Monday, July 22, 2024 10:38 AM
To: Robyn Player
Cc: Hill Build Admin ; Fahad Warsi ; Graham Banks
Subject: Re: Powerlink project

[External Email]

Hi Robyn. First off, my apologies for the long delayed communication. The Powerlink project has been proceeding at a much slower pace than we would have liked but the commercial portion of the build is now complete.
We have struggled to make an economic case for the residential build but believe we have found a solution which involves expanding the 12 suite design to 18 suites by inserting an additional floor. We had proposed this to the Municipality originally but scaled back to 12 suites when we had some local objections. We have a site plan approval for the 18 suites and have the Architectural almost complete. We are reviewing the mechanical and electrical and calling for revised quotes. We will need BTY to review the revised budget which will be a standalone review for the residential component of the build. Many items as already reviewed by you will remain relatively unchanged. I would appreciate you reactivating the file and standing by for the updated figures so we can satisfy the request from the lender for an updated cost consultant review of the budget.

In addition we would look to you to assist in the preparation of a cash flow analysis.

Thank you. Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101



www.hillbuild.com

On Thu, Mar 14, 2024 at 12:34 PM Robyn Player <robynplayer@bty.com> wrote:

> Hi Andrew,
>
> Please find the attached draft summaries with the Commercial/Residential components separated and the revised budgets and costs as per the latest information received.
>
> Based on the information provided, we note an overage of $1,679,618 which will be required to be injected with additional equity. Based on the equity requirement and costs incurred to date, you are $1,310,344 away from being within a draw position (provided the equity is injected).
>
> Let me know if you have any questions/comments on the attached.
>
> Thanks,
>
> Robyn

Robyn Player B.ARCH.SC, MRICS, PQS

Director

T: 647-484-0623 **E:** robynplayer@bty.com

From: Andrew Hill <ahill@hillbuild.com>
Sent: Thursday, March 14, 2024 12:06 PM
To: Robyn Player <robynplayer@bty.com>; Hill Build Admin <admin@hillbuild.com>; Fahad Warsi <fwarsi@morrisonfinancial.com>
Subject: Powerlink project

[External Email]

Hi Robyn. I have a phone meeting with Morrison this afternoon. They will be looking for answers on your reports status. Please advise asap.

Andrew

Andrew Hill

President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101

This is **Exhibit "61"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Andrew Hill <ahill@hillbuild.com>
Sent: August 6, 2024 4:46 PM
To: Graham Banks
Cc: Fahad Warsi
Subject: Re: Powerlink | No further work authorized

[EXTERNAL]

Thank you for your response. I understand your position and have no intention of spending money I don't have so I confirm I will order no materials or services beyond the completion of the parking garage. I would note that our real estate market is fairing better than most and I do believe we will see renewed interest in the residential and commercial spaces in the next few weeks. Perhaps when final closing proceeds are returned to Morrison we can review our position. In the meantime I will continue to work with engineers, suppliers and trades to refine our budget to the most efficient number possible.

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101



www.hillbuild.com

On Tue, Aug 6, 2024 at 4:38 PM Graham Banks <gbanks@morrisonfinancial.com> wrote:

> Hi Andrew:
>
> WITHOUT PREJUDICE

In my opinion, you have made excellent progress on the project in recent months and the site looks very good. I see no reason why a pause in construction at the prescribed juncture will have a negative impact on residential pre-sales. Given the moribund state of the residential real estate market, the home-buying public will understand this very well. It is a logical time to pause until the residential plan revision to 18 units has been incorporated to a revised Business Plan, including an expanded pre-sale requirement and the affirmation that a prudent capital structure is in place.

There is no possibility that this lender will be coerced to lend at sufferance through to completion of residential construction. Instead, we will enforce on our security.

Please provide your confirmation that you will not be committing the project to next level ICF or any other additional costs before we have approved a revised Business Plan.

Regards,

Graham Banks, CFA

Senior Vice President | Morrison Financial

Morrison Financial

8 Sampson Mews, Suite 202, Toronto, ON M3C 0H5

Tel: +1 (416) 391 3535 e105 | Cell: +1 (416) 553-2687

gbanks@morrisonfinancial.com

Invest in our Mortgage Income Funds | Get Mortgage Financing | Explore Condo Lending (in partnership with Meridian)

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From: Andrew Hill <ahill@hillbuild.com>
Sent: Tuesday, August 6, 2024 11:33 AM
To: Graham Banks <gbanks@morrisonfinancial.com>
Cc: Fahad Warsi <fwarsi@morrisonfinancial.com>
Subject: Re: Powerlink | No further work authorized

[EXTERNAL]

I appreciate your response but will be on the record stating that another stall in construction is very likely to end the project. Closing additional residential sales will become very difficult and bringing in another investor basically impossible.

Andrew

Andrew Hill

President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101

On Tue, Aug 6, 2024 at 11:26 AM Graham Banks <gbanks@morrisonfinancial.com> wrote:

> Hi Andrew:
>
> Thank you for the update below and photos sent during the weekend.
>
> We do not have credit in place to proceed past the installation of steel in parking garage and its capping with precast concrete as previously agreed. Please confirm that you will not be committing the project to next level ICF or any other additional costs before we have clarity on how it will be paid for.
>
> Regards,
>
> **Graham Banks, CFA**
>
> Senior Vice President | Morrison Financial
>
> 8 Sampson Mews, Suite 202, Toronto, ON M3C 0H5
>
> Tel: +1 (416) 391 3535 e105 | Cell: +1 (416) 553-2687
>
> gbanks@morrisonfinancial.com
>
> **Invest in our Mortgage Income Funds | Get Mortgage Financing | Explore Condo Lending (in partnership with Meridian)**

From: Andrew Hill <ahill@hillbuild.com>
Sent: Tuesday, August 6, 2024 11:08 AM
To: Graham Banks <gbanks@morrisonfinancial.com>
Subject: Powerlink

[EXTERNAL]

Good morning Graham.

Structural steel and precast will be complete before the end of the month.

The revised 18 suite drawings are with the engineers. Some quotes are dependent on the delivery of revised drawings so are not yet in hand.

We have some additional interest in commercial sales and are working to expand residential sales activity.

Commercial registration docs are in the hands of Chaitons for Submission to the LRO.

If we are to drive sales we must keep progressing. It will cost $100k to complete the icf on the next level and will keep site activity going for 4-6 weeks. I need you to ok my ordering the icf block. We can monitor sales and discuss additional funds as we move forward. Steel and precast manufacturing requires significant notice to suppliers.

We can discuss at your convenience.

Andrew

Andrew Hill

President, Hill Build

This is **Exhibit "62"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Andrew Hill <ahill@hillbuild.com>
Sent: November 26, 2024 7:45 AM
To: Fahad Warsi
Cc: David Morrison; Graham Banks
Subject: Re: Spreadsheet shared with you: "Nov 2024 - Powerlink RESIDENTIAL CTC Budget Summary"

[EXTERNAL]

Good morning. I fully realise there is a protocol that lenders have followed forever but that no longer works. There is simply no way to project with any degree of accuracy what the final CTC will be. In the last 6 weeks the cost of plywood has risen by 30% and drywall by 15%, the price of steel has come down slightly and so has ICF. No sudtrades or suppliers will honour pricing beyond 30 days nor will they quote jobs that are a year down the road. Cost consultants are a waste of money and we would be tweaking budgets every 15 minutes.
I have done what I can to present a refined path forward charting the highest likelihood of success. I have been mostly dismissed and we have wasted the best part of a year. There are only two options available at this point.

We complete the project on a time and material basis (including payment for all crew labour). My commitment is to keep costs to an absolute minimum while making sure we have a quality product to sell at the highest possible price. Morrison funds in a timely manner and increases the odds of recovering the investment in full.
T+M is fair. The local market is strong and is set for another big jump. My trades and suppliers are qualified and honest. I assume we share the same goal. We have one last chance to get this done.

If we can't agree to move forward in a spirit of trust and cooperation then it's option number two. Call the loan. I will default and the property will go to power of sale. I have no idea what the process is or how long it will take but what I do know is this project is now a local albatross and the best case scenario for your exit is finding a city developer to take on the completion of the build. You can estimate what your return might be in a fire sale, it's not for me to say.

I am heading out of the country on Friday, until then I am available to discuss.

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101



www.hillbuild.com

On Mon, Nov 25, 2024 at 5:46 PM Fahad Warsi <fwarsi@morrisonfinancial.com> wrote:

Hi Andrew,

Please provide the rationale for your hard cost numbers as they relate to the residential building.

1. The most recent budget provided by BTY which contemplated 12 residential units, indicated total construction costs of $5,592,378 which equates to hard cost of $331.79/sq ft.
2. The most recent budget provided by you which contemplates 21 residential units, indicates total construction cost to complete of $4,797,282 which equates to total hard cost of $196.58/sq ft.

Thank you,

Fahad

From: Andrew Hill (via Google Sheets) <drive-shares-dm-noreply@google.com>
Sent: November 23, 2024 1:09 PM
To: Fahad Warsi <fwarsi@morrisonfinancial.com>
Cc: David Morrison <dmorrison@morrisonfinancial.com>; Graham Banks <gbanks@morrisonfinancial.com>
Subject: Spreadsheet shared with you: "Nov 2024 - Powerlink RESIDENTIAL CTC Budget Summary"

[EXTERNAL]

Andrew Hill shared a spreadsheet

A

Andrew Hill (ahill@hillbuild.com) has invited you to **view** the following spreadsheet:

Powerlink Residential CTC

Nov 2024 - Powerlink RESIDENTIAL CTC Budget Summary

Open Open

If you don't want to receive files from this person, block the sender from Drive

This is **Exhibit "63"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: David Morrison
Sent: December 13, 2024 12:21 PM
To: Andrew Hill
Cc: Graham Banks; robert@chaitons.com; Fahad Warsi; alan@yyzed.com
Subject: Re: 1020 Goderich St., Port Elgin commercial unit sales

Andrew:

We hear you loud and clear, but there is absolutely no way that we are going to fund the construction of a residential building on a speculative basis assuming that, as it is being built, or when it is built, that purchasers will simply come out of the work and purchase a sufficient number of the units at prices that will see us paid out, with interest accruing at a torrential pace throughout. Do I need to remind you that, following your guidance, we did that with the commercial portion of the property, and look where we now stand: a large part of the building is unsold and there is little to no sales momentum. Even you have given up on sales are trying to market the building for the most part as a work-share space. This is not what we signed up for. Now you want us to do it with the residential component as well.

It is not that we are looking to arbitrarily favour the opinion of experts with no skin in the game over your opinion. It's that yours is a failed business plan, and the only solution that you are positing now is that we plough even more money into it, relying on the speculation that things will ultimately turn around. You have to come up with something better than that.

You may be correct that the route to the optimal result is to increase the unit number of the residential building to conform to what is approved and leave the locker and garage space alone. But we would still need to see reliable pre-sales at prices that make sense before financing construction going physically above what it already there.

David

David M. Morrison, B.A., J.D.
President
MORRISON FINANCIAL
Suite 202, 8 Sampson Mews
Toronto, Ontario, M3C 0H5
In the "Shops at Don Mills"
Tel: 416-391-3535 Fax: 416-391-4843
dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Dec 13, 2024, at 10:59 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

Graham. With all due respect I have accommodated meeting with all your colleagues and advisors and have listened to their suggestions. I am not an expert in lending but I do have 40+ years of experience in construction and property management. I have consistently presented what I believe is the most common sense and cost effective path forward. One that overcame the dramatic cost increases resulting from Covid and provided a product that remains in demand in our town. If it is your belief that a third party with no skin in the game is going to present a better idea then you are welcome to pursue that. I stand by my plan which is clear and straightforward. Increase to the maximum number of suites already approved under the site plan, restart construction and the sales (particularly with the latest interest rate drop) will follow the public perception. I laid this plan out several months ago, and I believe if followed we would have closed the commercial sales six months ago and would now be working on the interior finishing of 21 condos. You don't accept my hypothesis so I'm not sure what else you think I can offer. What I can say for sure is that a one year delay in construction has safeguarded the interests of neither party, playing the game of who is at fault is of no value and cheap shots about my taking a long overdue and well earned break does nothing to improve our relationship.

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101



www.hillbuild.com

On Fri, Dec 13, 2024 at 10:18 AM Graham Banks <gbanks@morrisonfinancial.com> wrote:

> Hi Andrew:

I am not expert in building design, so don't know whether it is practical to convert the commercial basement into a parking garage. I am a lender with a fiduciary obligation to my stakeholders to safeguard our debt investment in your project. If I can fulfill this duty while also helping you to achieve your objectives, I am prepared to work hard to do so. This is why I am recommending that we solicit help from third party experts to devise a plan that will get us all where we need to go. As lender, our alternative is enforcement of our security and the personal guarantees you provided. Rather than flitting off to the Bahamas it would behoove you to provide your full support for this initiative by working in earnest with these resources toward a solution.

Regards,

Graham Banks, CFA

Senior Vice President | Morrison Financial

<image001.png>

8 Sampson Mews, Suite 202, Toronto, ON M3C 0H5

Tel: +1 (416) 391 3535 e105 | Cell: +1 (416) 553-2687

gbanks@morrisonfinancial.com

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From: Andrew Hill <ahill@hillbuild.com>
Sent: December 13, 2024 7:35 AM
To: Graham Banks <gbanks@morrisonfinancial.com>
Cc: robert@chaitons.com
Subject: Re: 1020 Goderich St., Port Elgin commercial unit sales

[EXTERNAL]

Graham, for the record and in an effort to save time and money. As I mentioned when you brought the consultant from yyzed, the existing commercial basement does not meet any of the code criteria for a parking garage.

Ceiling too low, columns too close to allow a drive aisle, no exhaust systems, no vestibules to stairwell, no fire separation on ductwork, etc. as previously noted it would be cheaper to buy the neighbouring property if the goal is to increase parking.

Andrew

Andrew Hill

President, Hill Build

1020 Goderich St

Port Elgin, ON N0H 2C3

Office: 519-832-3330

Cell: 519-386-0101



www.hillbuild.com

On Tue, Dec 10, 2024 at 12:45 PM Graham Banks <gbanks@morrisonfinancial.com> wrote:

> Hi Andrew:

Without Prejudice

I understand you (the Borrower) anticipate closing sales for pre-sold commercial units in the next few weeks, and to do so, Morrison Financial (the Lender) will be required to provide partial discharges against its mortgage security on the property.

The loan is in default because the Borrower is not following the Business Plan as laid out in the loan agreement.

The Lender would like to cooperate and support completion of these sales, but in a way that is consistent with its duty to stakeholders to protect the value in the remaining property. The Lender's conditions for the provision of these partial discharges include the following:

1. The remaining property is comprised of finished commercial condominium units, locker units and residential lands as improved. The Borrower has not provided a plan for completion of the residential component of the project that has been accepted by the Lender. Accordingly, to protect its interest, the Lender requires advise from various experts with knowledge of (1) municipal entitlements (primarily density), (2) market demand and pricing for residential dwellings of various physical characteristics (size, amenities, quality levels, etc.) and legal forms (condo versus rental) and (3) construction methodology. At the cost of the project and the Borrower, with such amounts added to the balance of the loan, the Lender will engage these professionals.

2. Initial feedback includes a consideration of parking availability as an entitlement constraint, one that may be relieved by converting the basement of the commercial building from lockers to parking. For clarity, the Lender is not saying that this conversion should be undertaken, only that it is an option to be retained post closing of commercial units. This would require a change in the declaration of the commercial condominium that may include, among other things, Schedule D, which details percentage interest in common elements by unit. To achieve this goal, prior to closing purchasers will need to consent to the potential for such a change. The Borrower's counsel will advise on this matter and propose and draft a consent and other documents that may be necessary to other preserve this right.

I look forward to receive your agreement to proceed as proposed herein, and to support the optimization of value from this project.

Regards,

Graham Banks, CFA

Senior Vice President | Morrison Financial

<image001.png>

8 Sampson Mews, Suite 202, Toronto, ON M3C 0H5

(416) 553-2687

gbanks@morrisonfinancial.com

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This is **Exhibit "64"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Andrew Hill <ahill@hillbuild.com>
Sent: January 24, 2025 6:41 PM
To: David Morrison; Graham Banks; Fahad Warsi; Alenna Emer; Hill Build Admin
Subject: Powerlink

[EXTERNAL]

Hello to all. I have architectural drawings for the 12 new suites. I do not intend to move any further with the redevelopment of the residential portion of the building until a mutually acceptable agreement is reached. Furthermore, I will not continue to cover the negative overheads associated with the general property management indefinitely. I feel I have provided more than enough insight, data and options to back up my plan for attaining a successful outcome. A decision needs to be made. Ordering steel and precast are time sensitive but more importantly if we are to take advantage of early spring sales we need a product to market in the next 2-3 weeks.

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101



www.hillbuild.com

This is **Exhibit "65"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Andrew Hill
Subject: Re: Powerlink residential
Date: February 5, 2025 at 10:13:59 AM EST
To: David Morrison

[EXTERNAL]

Hi David. I'm aware of the paisley property. It is a long way from completion. However, directly behind Powerlink now under construction is the 5th apartment building in a series of buildings, each with in excess of 50 apartments. All are full with rental rates starting at $1800 per month. Demand for rental properties is high as is the demand for affordable residential. I would note that although paisley is only 15 minutes from Port Elgin it is a small town with minimal facilities and of course is not on the lake. The market there is very different from Port Elgin. I appreciate the information but it does not concern me as it is not direct competition for Powerlink.

Andrew Hill
President, Hill Build
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Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

On Wed, Feb 5, 2025 at 10:05 AM David Morrison <dmorrison@morrisonfinancial.com> wrote:
Andrew:

This is just for your information.

I think that it is likely that you are aware of the municipality of Paisley, Ontario. It is farther than Port Elgin from the Bruce Nuclear facility, but not by a lot. It is not the Greater Toronto Area, or even Port Elgin, but if there is demand for residential accommodations for people working in the nuclear facility, I would think that this building would be a high contender for consideration.

It has come to my attention that someone invested a lot of money transforming the former Paisley Inn into a residential building comprised of, I think, about 35 units. See: https://invizij.ca/project/paisley-inn-apartments/. Yet, while fully built, it is currently sitting empty — no sales, no rentals, no one living there. At least this is what I have been told. I have not personally visited the property. If it is correct, it would constitute nothing less than a financial disaster for the developer and whoever provided the financing.

This is exactly the type of situation in which Morrison Financial does NOT want to find itself.

David



David M. Morrison, B.A., J.D.
President
MORRISON FINANCIAL
Suite 202, 8 Sampson Mews
Toronto, Ontario, M3C 0H5
In the "Shops at Don Mills"
Tel: 416-391-3535 Fax: 416-391-4843
dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 3:18 PM, David Morrison <dmorrison@morrisonfinancial.com> wrote:

Do your best and keep us informed. Ours is a process, not an event, and it takes weeks even in the best of cases.

If things appear to be going well, we will be able to afford you the grace period that you want/need. We are not anxious to utilize enforcement measures. In fact, this would be the first time that we have done so in years.

David

David M. Morrison, B.A., J.D.
President
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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 3:13 PM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

Understood. It's not particularly an aversion to fixed price contracts but a reality that the past couple of years have made estimating a project of any scope difficult as prices are subject to dramatic changes, trades are hesitant to quite. In addition, when I use my own crew I am able to save a considerable amount of expense on labour and also buying materials directly from my suppliers eliminates subcontractors mark ups.
I spoke to my residential sales manager this morning. We would like to bring the new suites to market asap and gauge whether I am correct in my assumption that the lower cost units will move quickly.
I would appreciate a grace period of 6-8 weeks before you move on receivership. If no sales are forthcoming by late march then I would expect you would move as you see fit.

Andrew.

Andrew Hill
President, Hill Build
1020 Goderich St
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Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

On Thu, Jan 30, 2025 at 2:43 PM David Morrison <dmorrison@morrisonfinancial.com> wrote:
Andrew:

The amount of pre-sales that we would require would be closely tied to the budget for realization of the project, which would have to be reviewed and approved by our cost consultant.

One thing that makes this difficult is that you, personally, have expressed and aversion to using fixed-price contracts, which is largely the norm in our neck of the woods. Without fixed-price contracts the lender is sort of flying blind, and lenders do not like to do that.

Regards,

David

David M. Morrison, B.A., J.D.
President
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Suite 202, 8 Sampson Mews
Toronto, Ontario, M3C 0H5

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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 9:22 AM, David Morrison <dmorrison@morrisonfinancial.com> wrote:

We will have to get back to you on that. Later today.

David
Sent from my iPhone

On Jan 30, 2025, at 9:08 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

I believe if we move quickly while construction is held up by a heavy winter we can move a number of the new low cost condos and perhaps appeal to out of town buyers who are not aware of the extended time frame of the project. The question is what level of sales will satisfy you and get the project back on track?

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Cell: 519-386-0101
www.hillbuild.com

On Thu, Jan 30, 2025 at 8:59 AM David Morrison <dmorrison@morrisonfinancial.com> wrote:

If sufficient pre-sales materialize to justify building out, we will and can do that. You just have to tell purchasers that no sale is firm until you achieve critical mass. We would then gladly look at whatever you can muster up. Deposits for purchasers who want out now can be paid from new deposits once received, assuming that the critical mass is reached and the deals go firm.

But to date your position has been that nothing can be sold unless we start building, and we are not going to do that. It will be far easier for us to manage and sell raw land with a completed garage

structure, than a half-built building. Capping off the garage was a logical place to stop, which is why we supported that. You now need sufficient pre-sales to go any further.

Please keep in mind that your own expert/agent felt that full sell-through would take 3.5 years. You will not need full sell-through, but, depending on the ultimately budget, you would need something in the range of 75 percent by dollar value. Another thing to keep in mind is that your agent, Austin, feels confident that the third floor "event/shared work" space in the commercial building could be sold to a single user for as much as $3.2 Million. I do not know if that is correct, but he also expressed a lack of confidence in the event/shared work plan. If you could sell that space to a single user for anything close to that number, it would go a good distance towards solving your/our problem.

David

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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 8:45 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

Rather than making the assumption that nothing will sell it seems to me that we should at the very least be given the opportunity to market the residential suites. Again, we were told we could not sign any PA's. nor could we provide closing dates. I do know my market well and I am confident that sufficient suites to cover debt would sell in a reasonable timeframe this spring. I'm not sure why you would not at least afford us the opportunity to prove this out.

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

On Thu, Jan 30, 2025 at 8:34 AM David Morrison <dmorrison@morrisonfinancial.com> wrote:
Andrew:

The strategy which you want us to pursue, which is simply to build through on the speculation that buyers will come within sufficient time and in sufficient numbers, is simply not tenable. And it is not supported by the third-party data that you have delivered. Our plan is to close the existing commercial sales. The interests of those buyers and anyone in occupancy will not be impacted. At or about the same time — possibly before, or maybe a bit later — we intend to commence action under our mortgage enforcement remedies and put in place a receiver and, to the extent needed, a property manager. Our legal counsel has already been activated.

The receiver's mandate will be to sell the property, the remaining commercial units in parts or together, and the residential lands as a whole. To assist, we will be prepared to offer flexibility in payment of the purchase price to the right buyer, provided that that buyer makes a substantial equity investment.

No one at Morrison Financial believes you to be a bad guy, and we understand that you have put your heart and soul into this project. But, as happens to the best of us from time to time, you misread the market for the product. The issue has never been, as you say, that buyers need to see action in order to be spurred into purchasing. Residential units sell pre-construction all the time. The mantra from the movie *Field of Dreams*, that *if you build it, they will come*, does not work here. We did build the commercial building, but the buyers are still not coming. The problem of where we are now was exacerbated by the likelihood that you spent too much money on bells and whistles in the commercial property that will not be rewarded in what a purchase or purchasers are willing to pay. The building is attractive and well-built, no doubt. But will buyers pay for the fancy electronics and controls that you have built into it? It does not seem so.

You may or may not choose to be involved in this process as it moves forward in at least one of two ways. First and foremost, you are free to put in an offer to buy back the property or any part thereof. To do so, you will need to find a partner, and that partner will need to be prepared to invest meaningful equity if the request is that we take a mortgage back for any of the purchase price. If you are unable to source such a partner, it will simply prove out our belief that, under no circumstances, should we be proceeding with construction of the residential building. There must be well-heeled people in Port Elgin or the surrounding area who follow the market and understand real estate well. If you cannot find one of them to back you going forward, it seems crazy that Morrison Financial should do so? We are far away. We have no special expertise in the area. We were relying on you throughout. While our analysis shows that there is likely still a viable opportunity in the residential building, it needs to be advanced by someone who not only has the means, but is more knowledgeable, and hence, more comfortable, with the local market.

As for what purchase price we would accept, that is yet to be determined. The market will ultimately tell us. Obviously, we will want to get as close as possible to what we are owed — all of it if in fact there is any chance. But we will evaluate offers if and when they come. In the meantime, we are not going to negotiate with ourselves by throwing out numbers based on an amount of compromise that may or may not be necessary. This is how the process works.

A second way that you may be involved is through assisting whoever is the property manager in day-to-day operation of the building. No one know the building better than you. For this you would be paid at market rates. But the greater value to you is that such assistance, if needed, will promote a smoother process and likely a more favourable result. Of course, you have the right to simply hand over the keys and walk away — completely washing your hands of the matter. In that case, our professionals will figure it out and we will survive. But it may not be the best thing for you. At the end of the day, there are the personal guarantees of you and your wife that may have to be addressed if the result of our process is less than favourable.

I trust that this answers your question.

Regards,

David

David M. Morrison, B.A., J.D.
President
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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 7:44 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

Selling condos would replenish the trust account and permit the release of low cost buyers. Your lack of response to any of my data, sales figures and CTC would indicate that you have no interest in salvaging the project. Would you at least have the courtesy to inform me of your plans so I can plan accordingly?

Andrew.

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330

Cell: 519-386-0101
www.hillbuild.com

On Thu, Jan 30, 2025 at 7:34 AM David Morrison <dmorrison@morrisonfinancial.com> wrote:

Morrison Financial is not obliged to finance deposit refunds. If the amount available in trust is not sufficient, that is what the insurance is for.

David

David M. Morrison, B.A., J.D.
President
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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Jan 30, 2025, at 6:48 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

We have another buyer requesting a release due to extended delays. There are insufficient funds remaining in the trust account to process a mutual release and return the deposit. What do you suggest we tell the buyer?

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

This is **Exhibit "66"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

From: Andrew Hill
Subject: Re: Powerlink
Date: February 23, 2025 at 10:07:33 AM EST
To: David Morrison

[EXTERNAL]

David. I closed my note by saying we should see what the results of our marketing efforts are in the next few weeks and “if positive” we should negotiate a path forward. I did not ask for more money.
I don’t want to lose money anymore than you do. I’m suggesting a few weeks of patience as I believe the new listings will be very attractive.

Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

On Sun, Feb 23, 2025 at 9:32 AM David Morrison <dmorrison@morrisonfinancial.com> wrote:

> Andrew:
>
> You say this:
>
> > I am suggesting that we negotiate a path forward other than a demand note and receivership.
>
> But then you say this:

> I believe if you move to receivership your losses will be significant. The commercial will take months to sell and the as improved residential will be hard to market in it's current unfinished condition. I would be surprised if you achieve 50 cents on the dollar.

If the second statement is true, what is there really to talk about. The original business plan, and your efforts to adjust it, have failed. I am not passing moral judgement. I am just stating a fact. So far, your main suggestion has been that we keep throwing more money at it and build out the residential portion with the expectation that, if we do, they will come. There is no chance that we are going to do that, because there is no concrete evidence that they will. So, in the end, we will have more money deployed in an uneconomical asset. We would be better to take our 50 cents on the dollar, if that is what it is, and re-deploy it in a new solid investment opportunity, rather than put good money after bad.

Morrison Financial does not normally engage in mortgage lending in tertiary markets, which Port Elgin undoubtedly is. We did so in this case because you had sales (which have subsequently dissipated) and because of your enthusiasm for the notion that the proximity of the Bruce Nuclear Station constituted a difference — that it meant that there would be great demand from the Bruce facility and its permanent or itinerant contractors. But that has not proven to be the case.

An interesting question is why Morrison Financial should continue to have faith in the Port Elgin market, when not one local person can see the investment opportunity such that he or she is willing to back you to take us out, even if it involved us taking a loss. That says a lot.

I think that your one saving grace, if you still believe in this, is to see if you can generate enough money from rental, memberships, and outside sources, to keep the investment alive without Morrison Financial having to put in more money while you see what you can produce in sales. The idea of us treading water for a period of time that is not too long would not be wholly unpalatable. But the investment of more money is simply not going to happen.

Regards,

David

David M. Morrison, B.A., J.D.
President
MORRISON FINANCIAL
Suite 202, 8 Sampson Mews
Toronto, Ontario, M3C 0H5

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dmorrison@morrisonfinancial.com
www.morrisonfinancial.com

On Feb 20, 2025, at 4:03 AM, Andrew Hill <ahill@hillbuild.com> wrote:

[EXTERNAL]

Good morning David. A brief note. In the past few weeks we have signed up several new tenants and sold additional co working memberships. The market for commercial sales remains slow. We will be listing new residential suites very shortly and are hopeful for a solid response. I am suggesting that we negotiate a path forward other than a demand note and receivership. I believe if you move to receivership your losses will be significant. The commercial will take months to sell and the as improved residential will be hard to market in it’s current unfinished condition. I would be surprised if you achieve 50 cents on the dollar. I would also point out that my personal assets are minimal and heavily leveraged. My wife is semi retired and I am at the tail end of my construction career so not much blood in the stone as they say.
I remain steadfast in my belief that pushing forward will produce the best results for both parties. In fact, pushing forward was the advice given to me by Graham not that long ago. In addition, you yourself have noted the potential viability of the residential development in its latest iteration. Before making an irreversible decision I believe it’s in all our best interests to see what our marketing strategy results are in the next few weeks and if positive we would be wise to negotiate a path to completion that is beneficial to both.

Regards. Andrew

Andrew Hill
President, Hill Build
1020 Goderich St
Port Elgin, ON N0H 2C3
Office: 519-832-3330
Cell: 519-386-0101
www.hillbuild.com

This is **Exhibit "67"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

March 4, 2025

Bart Sarsh*
***Bart Sarsh Professional Corporation**
Direct +1 905 540 3242
Bart.Sarsh@gowlingwlg.com
File no. G10024542

PRIVATE AND CONFIDENTIAL

BY REGISTERED MAIL & EMAIL

1817955 Ontario Ltd.
1632 Concession Road 12
Kincardine, ON N0H 2C5
Attention: Andrew Hill

Andrew Terence Hill
c/o Powerlink
1020 Goderich Street
Port Elgin, ON N0H 2C3

Andrew Terence Hill
137 Elgin Street, Suite 202
Port Elgin, ON N0H 2C6

Email: ahill@hillbuild.com

Kimberley Gail Hill
137 Elgin Street, Suite 202
Port Elgin, ON N0H 2C6

Email: khill@bmts.com

Dear Mr. Hill and Mrs. Hill:

Re: Morrison Financial Mortgage Corporation credit facilities extended to 1817955 Ontario Ltd. and Kimberley Gail Hill (the "Borrower"), guaranteed by Andrew Terence Hill and Kimberley Gail Hill (the "Guarantor")

We are counsel to Morrison Financial Mortgage Corporation (the "**Lender**").

We are writing to you in connection with the following:

1) the Commitment Letter dated as of October 26, 2021 among the Borrower, as borrower, and the Lender, as lender;

2) the Amended Letter Agreement dated March 23, 2022 among the Borrower, as borrower, and the Lender, as lender;

3) the Amended Letter Agreement dated June 21, 2022 among the Borrower, as borrower, and the Lender, as lender;

4) the Amended Letter Agreement dated November 23, 2022 among the Borrower, as borrower, and the Lender, as lender;

5) the Amended Letter Agreement dated February 17, 2023 among the Borrower, as borrower, and the Lender, as lender;

6) the Amended Letter Agreement dated March 31, 2023 among the Borrower, as borrower, and the Lender, as lender;

7) the Amended Letter Agreement dated June 26, 2023 among the Borrower, as borrower, and the Lender, as lender;

8) the Amended Letter Agreement dated August 11, 2023 among the Borrower, as borrower, and the Lender, as lender; and

9) the Amended Letter Agreement dated December 12, 2023 among the Borrower, as borrower, and the Lender, as lender;

(collectively, with each as modified, amended, supplemented, revised, restated, and replaced from time to time, the "**Loan Agreements**").

Capitalized terms used and not otherwise defined have the meanings given to them in the Loan Agreements.

The Borrower is in default under the Loan Agreements and the other Credit Documents (as defined below). The existing and continuing defaults known to the Lender are listed in **Schedule "A"** to this letter.

According to the Lender's records, the Borrower is indebted or otherwise liable to the Lender for the amounts set out in **Schedule "B"** to this letter as of February 27, 2025 (the amount owing from time to time by the Borrower to the Lender, the "**Indebtedness**").

The Guarantors have guaranteed the repayment of the Indebtedness pursuant to multiple guarantee agreements (the "**Guarantee**").

The Lender demands payment in full of the Indebtedness from the Borrower and the Guarantors. Interest on the Indebtedness has accrued and will continue to accrue to the date of payment at the rate set out in each of the Loan Agreements and the other Credit Documents (as defined below), as applicable. The exact amount of the Indebtedness and interest which will have accrued to any date of payment shall be obtained by contacting the Lender. You will also be required to pay the Lender's legal and other expenses in connection with the Indebtedness.

This letter constitutes a demand for payment and acceleration of payment under the terms and conditions of the Loan Agreements and the terms and conditions of all security held by the Lender directly or indirectly for any of the Indebtedness, including all loan agreements, promissory notes, the guarantees and other agreements governing the Indebtedness (collectively, the "**Credit Documents**"), and is made without prejudice to (a) the Lender's right to make such further and other demands as it shall see fit for any other indebtedness or under any other security, and (b) the Lender's right to provide further and other notices of default.

Unless payment or arrangements satisfactory to the Lender for payment of the Indebtedness are made by no later than **4:00 p.m. on March 15, 2025** (Toronto time), the Lender may take any further steps that it deems necessary to recover payment of the Indebtedness. These steps may include (i) the enforcement of its security by way of the appointment of an interim receiver, court appointed receiver

and manager, a private receiver and manager, or an agent under its security; and (ii) the enforcement of any real property security by way of rights of power of sale. The Lender expressly reserves the right to take any steps it deems advisable to protect the Lender's position prior to that date.

We also enclose a notice of intention to enforce security issued by the Lender under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) for the Borrower.

The Lender expressly reserves its rights and remedies with respect to any defaults that shall now exist or hereafter arise under the Loan Agreements and the other Credit Documents.

Sincerely,

Gowling WLG (Canada) LLP



Bart Sarsh*
BS:bp
Encl

SCHEDULE “A”

LIST OF DEFAULTS

1. The Borrower has failed to make prompt payment of the amounts due under the Loan Agreements;

2. The Borrower has failed to repay at the expiration of the term under the Loan Agreements;

3. The Borrower has incurred cost overruns in relation to the Project.

SCHEDULE “B”

AMOUNT OF INDEBTEDNESS OWING AS OF February 27, 2025*

Loan	
Outstanding indebtedness	$7,621,723.65
Applicable interest rate	14.00%

*Interest on the Indebtedness has accrued and will continue to accrue to the date of payment at the rate set out in the Loan Agreements and the other Credit Documents, as applicable. The exact amount of the Indebtedness and interest which will have accrued to any date of payment shall be obtained by contacting the Lender. You will also be required to pay the Lender’s legal and other expenses in connection with the Indebtedness.

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

Notice of Intention to Enforce Security

(Rule 124)

TO: **1817955 Ontario Ltd., an insolvent person**

AND TO: **Kimberley Gail Hill, an insolvent person**

Take notice that:

1. Morrison Financial Mortgage Corporation, a secured creditor, intends to enforce its security against the following property of the insolvent persons listed above:

   All of the property, assets, and undertaking charged by the security described in paragraph 2 of this Notice.

2. The security that is to be enforced is in the form of:
   See Schedule "A".

3. The total amount of indebtedness secured by the security as of February 27, 2025 is:
   See Schedule "B".

4. The secured creditor will not have the right to enforce the security until after the expiration of the ten (10) day period after this notice is sent unless the insolvent person(s) each consent to an earlier enforcement.

DATED at Hamilton, Ontario, this 4th day of March, 2025

MORRISON FINANCIAL MORTGAGE CORPORATION BY ITS COUNSEL GOWLING WLG (CANADA) LLP

Per: _____
BART SARSH

ACKNOWLEDGMENT OF RECEIPT AND CONSENT

The undersigned, for and on behalf of 1817955 Ontario Ltd., acknowledge receipt of the present notice under s. 244(1) of the *Bankruptcy and Insolvency Act*, declare having not signed nor filed a notice of intention under the *Bankruptcy and Insolvency Act* and consent to the immediate enforcement of Morrison Financial Mortgage Corporation's security against the assets mentioned in this notice.

1817955 Ontario Ltd.

Per: _____

Name: _____

I have authority to bind the corporation

The undersigned, Kimberley Gail Hill, acknowledges receipt of the present notice under s. 244(1) of the *Bankruptcy and Insolvency Act*, declares having not signed nor filed a notice of intention under the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement of Morrison Financial Mortgage Corporation's security against the assets mentioned in this notice.

_____

Kimberley Gail Hill

SCHEDULE "A"

SECURITY DOCUMENTS

Loan

a) Charge/Mortgage in the amount of $9,541,546.25 registered against the property located at 1020 Goderich Street, Port Elgin, Ontario on November 24, 2021 as Instrument No. BR176854;

b) Notice of Agreement amending Charge/Mortgage to $12,000,000.00 registered against the property located at 1020 Goderich Street, Port Elgin, Ontario on October 13, 2023 as Instrument No. BR198964;

c) Notice of Assignment of Rents registered against the property municipally known as 1020 Goderich Street, Port Elgin, Ontario on November 24, 2021 as Instrument No. BR176855;

d) Notice of Assignment of Rents registered against the property municipally known as 1020 Goderich Street, Port Elgin, Ontario on October 13, 2023 as Instrument No. BR198965;

e) Guarantee from Andrew Terence Hill dated November 18, 2021;

f) Charge/Mortgage in the amount of $300,000.00 registered against the property located at 137 Elgin Street, Suite 202, Port Elgin, Ontario on May 18, 2023 as Instrument No. BR194349;

g) Guarantee from Kimberley Gail Hill dated May 4, 2023;

h) All other security granted to Morrison Financial Mortgage Corporation, or any of its predecessors, not otherwise listed above.

SCHEDULE “B”

AMOUNT OF INDEBTEDNESS OWING AS OF February 27, 2025*

Loan	
Outstanding indebtedness	$7,621,723.65
Applicable interest rate	14.00%

*Interest on the Indebtedness has accrued and will continue to accrue to the date of payment at the rate set out in the Loan Agreements and the other Credit Documents, as applicable. The exact amount of the Indebtedness and interest which will have accrued to any date of payment shall be obtained by contacting the Lender. You will also be required to pay the Lender’s legal and other expenses in connection with the Indebtedness

From: Drouin, Kayla
Sent: March 4, 2025 12:25 PM
To: ahill@hillbuild.com; khill@bmts.com
Cc: Sarsh, Bart; becky.pearson@gowlingwlg.com
Subject: Morrison and 1817955 Ontario Ltd. and Kimberley Gail Hill - Demand Letter & NITES - G10024542
Attachments: 2025-03-04 Demand Letter and NITES re 1817955Ontario Ltd K Hill.pdf

Good afternoon,

Kindly find attached letter from Mr. Sarsh of even date.

We look forward to hearing from you.

Regards,

Kayla Drouin
Legal Administrative Assistant
T +1 905 540 8208 x23686
kayla.drouin@gowlingwlg.com

GOWLING WLG

Gowling WLG (Canada) LLP
One Main Street West
Hamilton ON L8P 4Z5
Canada

gowlingwlg.com

Gowling WLG | 1,500+ legal professionals worldwide

REGISTERED MAIL
KAYLA DROUIN
March 4, 2025
G10024542

1. **1817955 Ontario Ltd.**
   1632 Concession Road 12
   Kincardine, ON N0H 2C5
   Attention: Andrew Hill

2. **Andrew Terence Hill**
   c/o Powerlink
   1020 Goderich Street
   Port Elgin, ON N0H 2C3

3. **Andrew Terence Hill**
   137 Elgin Street, Suite 202
   Port Elgin, ON N0H 2C6

4. **Kimberley Gail Hill**
   137 Elgin Street, Suite 202
   Port Elgin, ON N0H 2C6

Tracking number:

RN851873786CA

Available for pickup until: Friday, Mar. 21
Shipping service: Lettermail
Sender: Unavailable
Delivery standard: Mar. 7

Latest updates

Date	Time	Location	Progress	Post office
Mar. 17	6:23 pm	PORT ELGIN,ON	Final Notice; Item will be returned to sender if not collected within 10 days	SAUGEEN SHORES PO
Mar. 5	4:17 pm	PORT ELGIN,ON	Item available for pickup at Post Office	SAUGEEN SHORES PO
Mar. 5	3:09 pm	PORT ELGIN,ON	Notice card left indicating where and when to pick up item	
Mar. 5	11:13 am	PORT ELGIN,ON	Item out for delivery	
Mar. 5	9:42 am	PORT ELGIN,ON	Item processed	
Mar. 5	12:01 am		Expected delivery date updated	
Mar. 4	10:46 pm	STONEY CREEK,ON	Item in transit	
Mar. 4	7:46 pm	STONEY CREEK,ON	Item processed	
Mar. 4	4:54 pm	HAMILTON,ON	Item accepted at the Post Office	

Features and options
Signature Required

© 2024 Canada Post Corporation

Tracking number:

RN851873790CA

Delivered
Shipping service: Lettermail
Sender: Unavailable
Delivery standard: Mar. 10
Reason for delivery standard date change: Major incident occurred beyond Canada Post's control resulting in a delay

Latest updates

Date	Time	Location	Progress	Post office
Mar. 7	1:21 pm		Signature available	
Mar. 7	1:21 pm	PORT ELGIN,ON	Delivered	
Mar. 7	10:43 am	PORT ELGIN,ON	Item out for delivery	
Mar. 7	9:39 am	PORT ELGIN,ON	Item processed	
Mar. 6	10:10 am	PORT ELGIN,ON	Delivery may be delayed due to extreme weather conditions	
Mar. 5	3:45 pm	PORT ELGIN,ON	Item rescheduled for delivery next business day.	
Mar. 5	12 am		Expected delivery date updated	
Mar. 4	10:46 pm	STONEY CREEK,ON	Item in transit	
Mar. 4	7:46 pm	STONEY CREEK,ON	Item processed	
Mar. 4	4:54 pm	HAMILTON,ON	Item accepted at the Post Office	

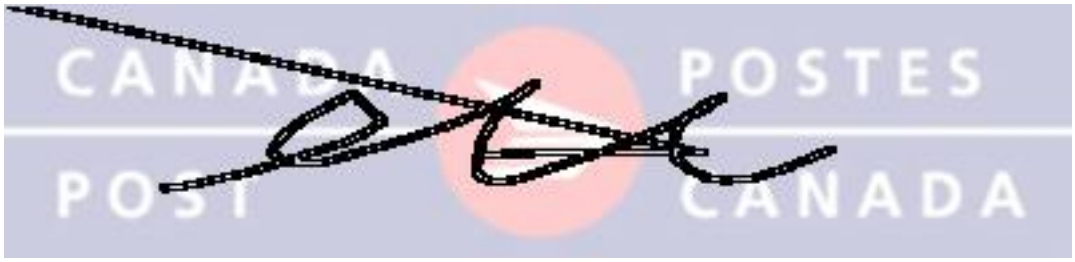
Features and options
Signature Required

© 2024 Canada Post Corporation

Date: 2025/03/18

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number	RN851873790CA
Product Name	Lettermail
Reference Number 1	Not Applicable
Reference Number 2	Not Applicable
Delivery Date (yyyy/mm/dd)	2025-03-07
Signatory Name	A HILL
Signature	

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse

Tracking number:

RN851873812CA

Delivered
Shipping service: Lettermail
Sender: Unavailable
Delivery standard: Mar. 7

Latest updates

Date	Time	Location	Progress	Post office
Mar. 7	2:46 pm		Signature available	
Mar. 7	2:46 pm	PORT ELGIN,ON	Delivered	
Mar. 5	4:03 pm	PORT ELGIN,ON	Item available for pickup at Post Office	SAUGEEN SHORES PO
Mar. 5	3:35 pm	PORT ELGIN,ON	Notice card left indicating where and when to pick up item	
Mar. 5	10:09 am	PORT ELGIN,ON	Item out for delivery	
Mar. 5	9:43 am	PORT ELGIN,ON	Item processed	
Mar. 5	12:01 am		Expected delivery date updated	
Mar. 4	10:45 pm	STONEY CREEK,ON	Item in transit	
Mar. 4	7:45 pm	STONEY CREEK,ON	Item processed	
Mar. 4	4:54 pm	HAMILTON,ON	Item accepted at the Post Office	

Features and options
Signature Required

© 2024 Canada Post Corporation

Date: 2025/03/18

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number	RN851873812CA
Product Name	Lettermail
Reference Number 1	Not Applicable
Reference Number 2	Not Applicable
Delivery Date (yyyy/mm/dd)	2025-03-07
Signatory Name	
Signature	A name and signature have been captured for the item, but the signatory has requested that they not be displayed on our website. If you need a copy of the name and signature, please call us at 1-888-550-6333. A fee may apply.

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse

Tracking number:

RN851873809CA

Delivered
Shipping service: Lettermail
Sender: Unavailable
Delivery standard: Mar. 7

Latest updates

Date	Time	Location	Progress	Post office
Mar. 7	2:46 pm		Signature available	
Mar. 7	2:46 pm	PORT ELGIN,ON	Delivered	
Mar. 5	4:04 pm	PORT ELGIN,ON	Item available for pickup at Post Office	SAUGEEN SHORES PO
Mar. 5	3:35 pm	PORT ELGIN,ON	Notice card left indicating where and when to pick up item	
Mar. 5	10:09 am	PORT ELGIN,ON	Item out for delivery	
Mar. 5	9:43 am	PORT ELGIN,ON	Item processed	
Mar. 5	12:02 am		Expected delivery date updated	
Mar. 4	10:45 pm	STONEY CREEK,ON	Item in transit	
Mar. 4	7:45 pm	STONEY CREEK,ON	Item processed	
Mar. 4	4:54 pm	HAMILTON,ON	Item accepted at the Post Office	

Features and options
Signature Required

© 2024 Canada Post Corporation

Date: 2025/03/18

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number	RN851873809CA
Product Name	Lettermail
Reference Number 1	Not Applicable
Reference Number 2	Not Applicable
Delivery Date (yyyy/mm/dd)	2025-03-07
Signatory Name	
Signature	A name and signature have been captured for the item, but the signatory has requested that they not be displayed on our website. If you need a copy of the name and signature, please call us at 1-888-550-6333. A fee may apply.

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse

This is **Exhibit "68"** referred to in the Affidavit of Fahad Warsi affirmed before me at the City of Hamilton, in the Province of Ontario, on March 31, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
Yuan Li
2AB47B41FF4641A...

Commissioner for Taking Affidavits
(or as may be)

Yuan Li (LSO No. 210049)

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

MORRISON FINANCIAL MORTGAGE CORPORATION

Applicant

and

1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL
and ANDREW TERENCE HILL

Respondents

APPLICATION UNDER SECTION 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

CONSENT

msi Spergel Inc. consents to act as the court-appointed receiver and manager over all of the assets, undertakings and property of 1817955 Ontario Limited and Kimberley Gail Hill in accordance with the Appointment Order sought and included in the Application Record.

Dated at Hamilton, Ontario this 31ST day of March, 2025.

msi SPERGEL INC., solely in its capacity as proposed Receiver of the Property, and not in its personal capacity

Per: _____

Name Trevor B. Pringle, CFE, CIRP, LIT

Title: Partner

MORRISON FINANCIAL MORTGAGE CORPORATION -and- 1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT HAMILTON

CONSENT TO ACT

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
One Main Street West
Hamilton, ON L8P 4Z5

Tel: 905-540-8208

Bart Sarsh (LSO No. 59208N)
Tel: 905-540-3242
Bart.Sarsh@gowlingwlg.com

Lawyers for the Applicant

File Number: G10024542

Court File No.

MORRISON FINANCIAL MORTGAGE CORPORATION	- and -	1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL
Applicant		Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

AFFIDAVIT OF FAHAD WARSI
(Affirmed March 31, 2025)

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
One Main Street West
Hamilton, ON L8P 4Z5

Tel: 905-540-8208

Bart Sarsh (LSO No. 59208N)
Tel: 905-540-3242
Bart.Sarsh@gowlingwlg.com

Lawyers for the Applicant

File Number: G10024542

TAB C

Court File No. CV-25-00089667-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	THURSDAY, THE 24TH
	)	
JUSTICE	)	DAY OF APRIL, 2025

B E T W E E N:

MORRISON FINANCIAL MORTGAGE CORPORATION

Applicant

and

1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL
and ANDREW TERENCE HILL

Respondents

APPLICATION UNDER SECTION 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

APPOINTMENT ORDER

THIS APPLICATION made by the Applicant, Morrison Financial Mortgage Corporation (“**Morrison**”), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, 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**") appointing msi Spergel Inc. (“**Spergel**”) as receiver and manager (in such capacities, the "**Receiver**") without security, over all property, assets and undertakings of 1817955 Ontario Limited (“**181**”) and Kimberley Gail Hill (“**Kimberley**”), (collectively the “**Borrowers**” or the “**Debtors**”) acquired for or used in relation to all of the Debtors’ right, title and interest in

and to all of the property more particularly described at **Schedule "A"** (the **"Property"**), was heard this day by Zoom videoconference at 45 Main Street East, Hamilton, Ontario.

ON READING the Affidavit of Fahad Warsi affirmed March 31, 2025 and the Exhibits to it, and on hearing the submissions of counsel for the Applicant and the other parties listed on the Participant Information Sheet, with no one else appearing for the parties listed on the Service List although duly served as appears from the affidavits of service, filed, and on reading the Consent of Spergel to act as the Receiver, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is abridged and validated so that this application is properly returnable today and dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel is appointed Receiver, without security, over all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to, all of the Debtors' right, title and interest in and to the Property including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such

monies, including, without limitation, to enforce any security held by the Debtors and collect on all accounts at deposit-taking institutions such as the accounts in the name of the Debtors at any financial institution;

(g) to settle, extend or compromise any indebtedness owing to the Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $50,000.00, provided that the aggregate consideration for all such transactions does not exceed $200,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required,

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a Purchaser or Purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(p) to make an assignment in bankruptcy on behalf of the Debtors, to consent on behalf of the Debtors to the making of a bankruptcy order against the Debtors, and for Spergel to act as the licensed insolvency trustee of the Debtors;

(q) to enter into agreements with any licensed insolvency trustee appointed in respect of the Debtors (if not Spergel), including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any Property owned or leased by the Debtors;

(r) to apply for any permits, licenses, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(s) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

(t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** any and all financial institutions, banks, and their affiliates, shall produce to the Receiver any and all Records, banking documents related to the Debtors, any transaction supporting document and any of the Debtors' records in its possession or control, having regard to the limitations of the financial institutions' retention and storage policies and practices, notwithstanding that any disclosure may include "personal property" about third parties as defined in the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended.

8. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased

premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

10. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the

BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as

may be agreed upon by the Supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA AND CASL

16. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective Purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The Purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

17. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of cause 3(c) of the *Electronic Commerce Protection Regulations,* Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

19. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program*

Act. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Ontario Superior Court of Justice.

22. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. **THIS COURT ORDERS** that the Receiver be at liberty and it is empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

26. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all

Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

27. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol"**) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL https://www.spergelcorporate.ca/engagements/.

28. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission

shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

29. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder on five (5) business days notice.

30. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a licensed insolvency trustee in the bankruptcy of the Debtors.

31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

32. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

34. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. **THIS COURT ORDERS** that this Order and all of its provisions shall take effect as of 12:01 am on the date of this Order and shall be immediately enforceable without the need for further entry or filing notwithstanding Rule 59.05. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or application for leave to appeal is brought to an appellate court.

Date of issuance _____ _____

(to be completed by registrar) *(Signature of judge, officer or registrar)*

SCHEDULE “A”

Legal descriptions of the Property:

1. Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores; being PIN 33268-2035 LT and municipally known as 1020 Goderich Street, Port Elgin, Ontario

2. Unit 2, Level 2 Bruce Standard Condominium Plan No. 34 and its appurtenant interest; Town of Saugeen Shores, being PIN 33834-0002 LT and municipally known as137 Elgin Street, Unit 202, Port Elgin, Ontario

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $ _____

1. **THIS IS TO CERTIFY** that msi Spergel Inc., the receiver and manager (the "**Receiver**") of the assets, undertakings and properties of 1817955 Ontario Limited ("**181**") and Kimberley Gail Hill ("**Kimberley**"), (collectively the "**Borrowers**" or the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors regarding the Property, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the 24th day of April, 2025 (the "**Order**") made in an application having Court File Number CV-25-00089667-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] / [monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the

Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____, day of _____, 20___.

msi Spergel Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

Court File No. CV-25-00089667-0000

MORRISON FINANCIAL MORTGAGE CORPORATION	- and -	1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL
Applicant		Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

APPOINTMENT ORDER

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
One Main Street West
Hamilton, ON L8P 4Z5

Tel: 905-540-8208

Bart Sarsh (LSO No. 59208N)
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Bart.Sarsh@gowlingwlg.com

Lawyers for the Applicant

File Number: G10024542

506

TAB D

~~Revised: January 21, 2014~~
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. CV-25-00089667-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	~~.....~~THURSDAY, THE ~~.....~~24TH
	)	
JUSTICE	)	DAY OF ~~.....~~APRIL, ~~2024~~2025

B E T W E E N:

MORRISON FINANCIAL MORTGAGE CORPORATION

~~"**Press F11 to insert (name of applicant)**"~~

Applicant

and

~~"**Press F11 to insert (name of Respondent)**"~~

~~Respondent~~

1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL

Respondents

APPLICATION UNDER SECTION 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

APPOINTMENT ORDER[1]
~~(appointing Receiver)~~

[1] ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

THIS ~~MOTION~~**APPLICATION** made by the ~~Plaintiff~~[2]Applicant, Morrison Financial Mortgage Corporation ("**Morrison**"), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, 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**"~~"~~) appointing ~~**Press F11 to insert (name of receiver)****Press F11 to insert (name of receiver)**~~msi Spergel Inc. ("**Spergel**") as receiver ~~[~~and manager~~]~~ (in such capacities, the ~~"~~"**Receiver**"~~"~~) without security, ~~of~~over all ~~of the~~property, assets~~,~~ and undertakings ~~and properties of **Press F11 to insert (name of debtor)****Press F11 to insert (name of debtor)** (the "Debtor~~~

duly served as appears from the ~~Affidavit~~affidavits of ~~Service of **Press F11 to insert (name)****Press F11 to insert (name)** (sworn/affirmed)(sworn/affirmed) **Press F11 to insert (date)****Press F11 to insert (date)**~~service, filed, and on reading the Consent of ~~**Press F11 to insert (name of receiver)****Press F11 to insert (name of receiver)**~~Spergel to act as the Receiver, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application Record is ~~hereby~~ abridged and validated[3] so that this ~~motion~~application is properly returnable today and ~~hereby~~ dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~**Press F11 to insert (name of receiver)****Press F11 to insert (name of receiver)**~~Spergel is ~~hereby~~ appointed Receiver, without security, ~~of~~over all of the assets, undertakings and properties of the ~~Debtor~~Debtors acquired for, or used in relation to ~~a business carried on by the Debtor,~~, all of the Debtors' right, title and interest in and to the Property including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

~~[3] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

3. **THIS COURT ORDERS** that the Receiver is ~~hereby~~ empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is ~~hereby~~ expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the ~~Debtor~~Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~Debtors;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors and collect on all accounts at deposit-taking institutions such as the accounts in the name of the Debtors at any financial institution;

(g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.[4] The authority ~~hereby~~

[4] ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $~~**Press F11 to insert (amount)****Press F11 to insert (amount)**~~50,000.00, provided that the aggregate consideration for all such transactions does not exceed $~~**Press F11 to insert (amount)****Press F11 to insert (amount)**~~200,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*~~, [~~ or section 31 of the Ontario *Mortgages*

Act, as the case may be,~~]~~[5] shall not be required,~~ and in each case the Ontario *Bulk Sales Act* shall not apply.~~

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a Purchaser or Purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the ~~Debtor~~Debtors;

(p) to make an assignment in bankruptcy on behalf of the Debtors, to consent on behalf of the Debtors to the making of a bankruptcy order against the Debtors, and for Spergel to act as the licensed insolvency trustee of the Debtors;

[5] ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

(q) ~~(p)~~ to enter into agreements with any ~~Trustee in bankruptcy~~licensed insolvency trustee appointed in respect of the ~~Debtor~~Debtors (if not Spergel), including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any ~~property~~Property owned or leased by the ~~Debtor~~Debtors;

(r) to apply for any permits, licenses, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

(s) ~~(q)~~ to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and

(t) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other

individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records

shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** any and all financial institutions, banks, and their affiliates, shall produce to the Receiver any and all Records, banking documents related to the Debtors, any transaction supporting document and any of the Debtors' records in its possession or control, having regard to the limitations of the financial institutions' retention and storage policies and practices, notwithstanding that any disclosure may include "personal property" about third parties as defined in the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended.

8. ~~7.~~ **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant

landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. ~~8.~~ **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~DEBTOR~~DEBTORS OR THE PROPERTY

10. ~~9.~~ **THIS COURT ORDERS** that no Proceeding against or in respect of the ~~Debtor~~Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the ~~Debtor~~Debtors or the Property are ~~hereby~~ stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. ~~10.~~ **THIS COURT ORDERS** that all rights and remedies against the ~~Debtor~~Debtors, the Receiver, or affecting the Property, are ~~hereby~~ stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any

"eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the ~~Debtor~~Debtors to carry on any business which the ~~Debtor~~Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. ~~11.~~ **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. ~~12.~~ **THIS COURT ORDERS** that all Persons having oral or written agreements with the ~~Debtor~~Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~Debtors are ~~hereby~~ restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor~~Debtors'~~s~~ current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services

received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the ~~Debtor~~Debtors or such other practices as may be agreed upon by the Supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. ~~13.~~ **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. ~~14.~~ **THIS COURT ORDERS** that all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor~~Debtors'~~s~~ behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its

obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA AND CASL

16. ~~15.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective Purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The Purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

17. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and

advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of cause 3(c) of the *Electronic Commerce Protection Regulations,* Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. ~~16.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

19. ~~17.~~ **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. ~~18.~~ **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are ~~hereby~~ granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.[6]

21. ~~19.~~ **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its

[6] ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

legal counsel are ~~hereby~~ referred to a ~~Judge of the Commercial List~~judge of the Ontario Superior Court of Justice.

22. ~~20.~~ **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. ~~21.~~ **THIS COURT ORDERS** that the Receiver be at liberty and it is ~~hereby~~ empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $~~**Press F11 to insert (amount)****Press F11 to insert (amount)**~~500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. ~~22.~~ **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. ~~23.~~ **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "~~A~~B" ~~hereto~~ (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

26. ~~24.~~ **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

27. ~~25.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol"**) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on

transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~'<@>'~~https://www.spergelcorporate.ca/engagements/.

28. ~~26.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor's~~Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

29. ~~27.~~ **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder on five (5) business days notice.

30. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a ~~Trustee~~licensed insolvency trustee in the bankruptcy of the ~~Debtor~~Debtors.

31. ~~29.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

32. ~~30.~~ **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. ~~31.~~ **THIS COURT ORDERS** that the ~~Plaintiff~~Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor~~Debtors'~~s~~ estate with such priority and at such time as this Court may determine.

34. ~~32.~~ **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to

any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. **THIS COURT ORDERS** that this Order and all of its provisions shall take effect as of 12:01 am on the date of this Order and shall be immediately enforceable without the need for further entry or filing notwithstanding Rule 59.05. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or application for leave to appeal is brought to an appellate court.

Date of issuance _____ _____

(to be completed by registrar) *(Signature of judge, officer or registrar)*

SCHEDULE "A"

Legal descriptions of the Property:

1. Part of Park Lot 18, Plan 111, Saugeen Shores, designated as Part 1, 3R10417; Town of Saugeen Shores; being PIN 33268-2035 LT and municipally known as 1020 Goderich Street, Port Elgin, Ontario

2. Unit 2, Level 2 Bruce Standard Condominium Plan No. 34 and its appurtenant interest; Town of Saugeen Shores, being PIN 33834-0002 LT and municipally known as137 Elgin Street, Unit 202, Port Elgin, Ontario

SCHEDULE "~~A~~B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ~~**Press F11 to insert (number)****Press F11 to insert (number)**~~ _____

AMOUNT $ ~~**Press F11 to insert (amount)****Press F11 to insert (amount)**~~ _____

1. **THIS IS TO CERTIFY** that ~~**Press F11 to insert (name of receiver)****Press F11 to insert (name of receiver)**~~msi Spergel Inc., the receiver and manager (the "**Receiver**") of the assets, undertakings and properties ~~**Press F11 to insert (name of debtor)****Press F11 to insert (name of debtor)**~~of 1817955 Ontario Limited ("**181**") and Kimberley Gail Hill ("**Kimberley**"), (collectively the "**Borrowers**" or the "**Debtors**") acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors regarding the Property, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List) (~~the "**Court**") dated the ~~**Press F11 to insert (day)****Press F11 to insert (day)**~~24th day of ~~**Press F11 to insert (month)****Press F11 to insert (month)**~~April, ~~20**Press F11 to insert (year)****Press F11 to insert (year)**~~2025 (the "**Order**") made in an ~~action~~application having Court ~~file number **Press F11 to insert (court file number)****Press F11 to insert (court file number)**-CL-**Press F11 to insert (court file number)****Press F11 to insert (court file number)**~~File Number CV-25-00089667-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $~~**Press F11 to insert (amount)****Press F11 to insert (amount)**~~ _____, being part of the total principal sum

of $**Press F11 to insert (amount)****Press F11 to insert (amount)** _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] / [monthly not in advance on the **Press F11 to insert (day)****Press F11 to insert (day)** _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of **Press F11 to insert (rate)****Press F11 to insert (rate)** _____ per cent above the prime commercial lending rate of Bank of **Press F11 to insert (bank)****Press F11 to insert (bank)** _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. 1. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. 2. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate

shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. ~~3.~~ The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. ~~4.~~ The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____, day of ~~October~~ _____, ~~2024~~20___.

~~**Press F11 to insert (name of receiver)**~~**msi Spergel Inc.**, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: ~~**Press F11 to insert (name)**~~

Title: ~~**Press F11 to insert (title)**~~

Court File No. CV-25-00089667-0000

MORRISON FINANCIAL MORTGAGE CORPORATION	- and -	1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL
Applicant		~~Respondent~~Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

APPOINTMENT ORDER

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Lawyers for the Applicant

File Number: G10024542

Court File No. CV-25-00089667-0000

MORRISON FINANCIAL MORTGAGE CORPORATION	- and -	1817955 ONTARIO LIMITED, KIMBERLEY GAIL HILL and ANDREW TERENCE HILL
Applicant		Respondents

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ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

APPLICATION RECORD

(Appointment of Receiver)

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